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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 29

[Docket No. FAA–2024–2383; Special Conditions No. 29–059–SC]

Special Conditions: Sikorsky Model S–61A, S–61L, and S–61N (Including Those Modified by Supplemental Type Certificate (STC) No. SH640NE) Helicopters; Overload Protection Device in a Hoist

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final special conditions.

SUMMARY: These special conditions are issued for Sikorsky Aircraft Corporation and Sikorsky Aircraft (Sikorsky) Model S–61A, S–61L, and S–61N helicopters. These helicopters, as modified by Carson Helicopters Inc. (Carson), will have a novel or unusual design feature when compared to the state of technology envisioned in the airworthiness standards for transport category rotorcraft. This design feature is an overload protection device (OLPD) installed in the hoist. The applicable airworthiness regulations do not contain adequate or appropriate safety standards for this design feature. These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

DATES: Effective August 5, 2025.

FOR FURTHER INFORMATION CONTACT: Scott Johnson, Mechanical Systems Section, AIR–623, Technical Policy Branch, Policy and Standards Division, Aircraft Certification Service, Federal Aviation Administration, telephone 202–267–4644; email *Scott.R.Johnson@faa.gov.*

SUPPLEMENTARY INFORMATION:

Background

On September 21, 2021, Carson applied for an amendment to supplemental type certificate (STC) No. SR02507NY to add a hoist with an OLPD to be installed on Sikorsky Model S–61A, S–61L, and S–61N (including those modified by STC No. SH640NE, which shortens the S–61N by 50 inches) helicopters. The Model S–61 helicopters subject to these special conditions, currently approved under Type Certificate Nos. H2EA and 1H15, are twin-engine rotorcraft. The maximum takeoff weight is between 19,000 and 22,000 pounds, depending on configuration, and the helicopter has a maximum capacity of 39 passengers and a crew of 2.

Type Certification Basis

Under the provisions of § 21.101, Carson must show that the helicopters for which it makes application to modify by STC No. SR02507NY, as changed, continue to meet the applicable provisions of the regulations listed in each helicopter's respective type certificate or the applicable regulations in effect on the date of application for the change except for earlier amendments as agreed upon by the FAA.

If the Administrator finds that the applicable airworthiness regulations (*e.g.,*14 CFR part 29) do not contain adequate or appropriate safety standards for the Sikorsky Model S–61A, S–61L, and S–61N (including those modified by STC No. SH640NE) helicopters because of a novel or unusual design feature, special conditions are prescribed under the provisions of § 21.16.

Special conditions are initially applicable to the model for which they are issued. Should the applicant apply for a supplemental type certificate to modify any other model included on the same type certificate to incorporate the same novel or unusual design feature, these special conditions would also apply to the other model under § 21.101.

In addition to the applicable airworthiness regulations and special conditions, the Sikorsky Model S–61A, S–61L, and S–61N (including those modified by STC No. SH640NE) helicopters must comply with the exhaust-emission requirements of part 34 and the noise-certification requirements of part 36.

The FAA issues special conditions, as defined in § 11.19, in accordance with § 11.38, and they become part of the type certification basis under § 21.101.

Novel or Unusual Design Features

The Sikorsky Model S–61A, S–61L, and S–61N (including those modified by STC No. SH640NE) helicopters will incorporate the following novel or unusual design feature:

An OLPD installed in a hoist.

Discussion

These special conditions are necessary because regulations concerning external load carriage requirements for part 29 rotorcraft do not address hoists that include an OLPD feature.

In 1991 the FAA tasked the External Load Working Group (Working Group) of the Aviation Rulemaking Advisory Committee (ARAC) with investigating the need to complement the rotorcraft 14 CFR part 133 Class D external load carriage regulations (including transport of passengers external to the rotorcraft). Upon completion of their review, the Working Group issued a report [1] recommending updates to the external load regulations in 14 CFR part 27 and part 29.

Based on the Working Group's report, the FAA recommended several changes to part 27 and part 29 to improve safety. On July 13, 1998, the FAA published a Notice of Proposed Rulemaking [2] (NPRM) (63 FR 37746). This NPRM proposed amendments to the airworthiness standards for rotorcraft load combination certification. The FAA issued the final rule based on this NPRM for part 27 at amendment 27–36 and part 29 at amendment 29–43; however, the revised parts 27 and 29 did not address OLPD features in hoist systems. As a result, the current §§ 27.865 and 29.865 do not address hoist systems with OLPD features.

The hoist being installed by Carson includes an OLPD in its design. The OLPD reduces the likelihood of the loss of rotorcraft and crew due to an entanglement of the hoist cable. Upon activation, the OLPD affords the pilot time to respond and potentially jettison

[1] External Load Working Group report *https://www.faa.gov/sites/faa.gov/files/advisory_rulemaking_committees/RelwgT1-12041991.pdf.*

[2] Docket No. 29277; Notice No. 98–6, ''Rotorcraft Load Combination Safety Requirements.''

the load to save the aircraft and the crew onboard.

Because the OLPD activation range is less than the limit static load factor for human external cargo published in §§ 27.865 and 29.865, it introduces a risk that the cable could completely unspool (*i.e.,* loss of cargo), particularly if unspooling is not subsequently arrested once the load is reduced below the activation threshold. Despite this risk, the overall safety will be improved with the inclusion of this OLPD. Meeting the requirements of these special conditions demonstrates that the OLPD in the hoist installed by Carson will allow an OLPD activation and recapture in response to the load conditions outlined in these special conditions. By ''activation'' the FAA means uncommanded cable payout (*i.e.,* slippage). The FAA intends the activation range to bound payout. The FAA is requiring an activation range for these special conditions of 2.2 to 3.5 times the rated load. The functionality and activation requirement comes from SAE AS6342, ''Minimum Operational Performance Standard (MOPS) for Helicopter Hoist Systems,'' December 2020, section 4.7 paragraph 2.[3]

The OLPD must activate within the range of 2.2 to 3.5 times the rated load. These special conditions do not change the structural limit load factors specified in §§ 27.865 and 29.865. These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

In addition to the activation range explained previously, the OLPD must be designed to continue working correctly or as expected in every way (*i.e.,* function properly) when experiencing the maximum external limit load specified in §§ 27.865 and 29.865.

Discussion of Comments

The FAA issued Notice of Proposed Special Conditions No. 29–24–02–SC for Sikorsky Model S–61A, S–61L, and S–61N (including those modified by STC No. SH640NE, which shortens the S–61N by 50 inches) helicopters, which published in the **Federal Register** on March 26, 2025 (90 FR 13705).

The FAA received comments from five commenters, including Carson, Onboard Systems, Airbus Helicopters, and the European Union Aviation Safety Agency (EASA).

[3] SAE AS6342 is available for purchase at *https://saemobilus.sae.org/standards/as6342-minimum-operational-performance-standard-mops-helicopter-hoist-systems.*

Supportive Comments

The FAA received a comment from an anonymous commenter, who supported the proposed special conditions without change.

Load Function

Paragraph (a)(1) of the special conditions requires the OLPD to function properly. EASA requested the FAA clarify paragraph (a)(1) regarding the following points: (1) a single failure should not lead to a catastrophic event, which includes serious injury or fatality of human external cargo; and (2) the reliability of the OLPD should be in accordance with the potential failure criticality.

The FAA addresses structural requirements through 14 CFR 29.571 and system requirements through 14 CFR 29.1309. The FAA's current guidance on reliability and failure criticality is contained in Advisory Circular (AC) No. 29–2C, ''Certification of Transport Category Rotorcraft.'' AC No. 29–2C at change 9 references ARP4761 ''Guidelines and Methods for Conducting the Safety Assessment Process on Civil Airborne Systems and Equipment,'' which provides guidance on labeling the severity and probability and assigning an assurance level requirement for which to hold the applicant accountable.

Load Limits

Airbus Helicopters, Onboard Systems, and Carson requested the FAA revise the special conditions to define activation consistent with SAE AS6342. Onboard Systems stated activation should be limited to the OLPD static response, and the OLPD dynamic response should be characterized or demonstrated through tests in SAE AS6342 Section 5.1.9.1. Carson requested the FAA define activation solely as the initiation of slip (static slip point). Airbus Helicopters stated that while the lower limit of the activation band can be well controlled, the upper limit may be higher than 3.2 times the rated load, that the 3.2 value is arbitrary, and that any upper limit should be justified depending on the undesired event the OLPD is designated for. Airbus Helicopters further stated that in this context, the upper limit as specified in paragraph (a)(2) of the special conditions appears to be redundant with paragraph (a)(3)(i). Airbus Helicopters and Onboard Systems expressed concern that, under the special conditions as written, existing hoist/OLPD designs would be ineligible for installation certification and new designs would be unable to meet the requirements.

The FAA agrees and has revised the Discussion section to clarify that ''activation'' means uncommanded cable payout (*i.e.,* slippage). The FAA also agrees that the proposed maximum limit of the activation range tolerance is too restrictive for both OLPD activation and recapture and has revised paragraph (a)(2) of the special conditions to change the activation range to 2.2 to 3.5 times the rated load. The FAA has also added a requirement to paragraph (a)(2) that recapture must occur before the load falls below 2.2 times the rated load (2.2 or greater). Paragraph (a)(3)(i) of the special conditions requires that the OLPD prevent excess cable tension that could result in cable failure or pulling the aircraft into an unrecoverable attitude.

The FAA notes that it did not choose the proposed 3.2 value arbitrarily. Over several years of discussions among the FAA, EASA, and industry, 3.2 was determined to be an appropriate value that would provide enough protection from cable failure due to excessive loads. This number also keeps the energy from a broken cable low enough to prevent the cable from rebounding into the rotor system. However, as previously explained, the FAA has increased the limit to 3.5 times the rated load to provide additional range to the tolerance band. Regarding the comment on justification for the upper limit setting, the FAA has determined that the minimum operational performance for OLPD is that it must prevent excess cable tension that might result in cable failure or loads on the helicopter that endanger the aircraft. Paragraphs (a)(2) and (a)(3)(i) are two separate requirements. Paragraph (a)(2) establishes a maximum hoist design point, while paragraph (a)(3) contains installation level requirements protecting the aircraft and HEC. EASA requested the FAA evaluate whether the minimum load factor of 2.2 is sufficiently above the normal operational load to prevent the activation of the OLPD during normal operation.

The FAA acknowledges the comment and finds the 2.2 load factor acceptable, as established and published in SAE AS6342. No changes were made as a result of this comment.

Carson recommended that OLPD activation must not occur below 2.2 times the rated load to prevent unintentional OLPD activation.

The FAA agrees. Paragraph (a)(2) of the special condition already requires a minimum activation range of 2.2 times

the rated load. No changes are necessary as a result of this comment.

Carson recommended the FAA revise paragraph (a)(3)(iv) of the proposed special conditions to address arresting cable slip (recapture) separately.

The FAA agrees. The Discussion section of the proposed special conditions defined activation as all states of its intended function (uncommanded cable payout and recapture). The FAA has revised the Discussion section of these final special conditions to limit the definition of activation as cable payout (slippage). Recapture is a separate event from OLPD activation. Recapture must occur before the load falls below 2.2 times the rated load as stated in paragraph (a)(2).

Aging Factors

EASA stated that the proposed special conditions do not address the aging of the OLPD through time or through an OLPD activation event and that friction material could degrade over time, which could lower the OLPD set point below the prescribed value. EASA requested the FAA revise the proposed special conditions to account for these factors.

The FAA agrees and has revised paragraph (a)(2) of the special conditions to clarify that production and maintenance tolerances include aging and wear considerations.

Design Activation Limits

EASA requested the FAA clarify that ''design activation limit (*i.e.* defined set point(s))'' in paragraph (a)(3) of the proposed special conditions corresponds to the activation range in paragraph (a)(2).

The FAA concurs with EASA that the ''design activation limit (*i.e.* defined set point(s))'' corresponds to the activation range and added clarification to the special condition.

Airbus Helicopters commented that the OLPD effectivity may be impacted when the hoist-cable is fully reeled-out due to the cable being attached to the drum. Airbus Helicopters stated that in this condition, the load required to break the cable off the drum can be even higher than the OLPD upper activation limit.

The FAA disagrees. The OLPD would not be further impacted from the cable being fixed to the drum causing even higher loads to break the cable from the drum. There is a minimum requirement of cable wraps around the drum determined by the hoist manufacturers that must be present in order to maintain load capacity.

Airbus Helicopters commented that with state-of-the-art hoists available on the market, arresting the cable after a triggering event may occur close to or slightly below the lower OLPD activation limit due to the physics of friction. Airbus Helicopters further stated that the time or cable-length to arrest the load after an activation event is dependent on various conditions, such as actual payload, cable-length, cable-reeling (slipping) speed, and temperature.

The FAA disagrees that the hoist will not recapture below 2.2 times the rated load. Industry set this condition in SAE AS6342 Section 4.7. The FAA will not certify a hoist installation that allows the load to go below 2.2 times the rated load.

Out of Scope Comments

The FAA received some comments that were beyond the scope of the proposed special conditions. The FAA did not make any changes as a result of these comments.

EASA requested the FAA revise the proposed special conditions to include a requirement that the cable sustain a minimum load of 3.2g.

These special conditions address the OLPD installed on the hoist system and do not address the cable. The cable is part of the hoist critical load path and is addressed through compliance with 14 CFR 29.865 and other relevant regulations within 14 CFR part 29 Subparts C and D.

EASA requested the FAA revise paragraph (a)(3)(iv) of the proposed special conditions to include a maximum unspooling length before arresting the human external cargo (HEC) and a maximum arresting load similar to the one in the EASA ETSO–2C208 paragraph 5.1.9.1.2. EASA expressed concern that a full cable unspooling or significant shock load from the cable arresting could cause injury to the HEC.

The FAA disagrees. While the FAA acknowledges the comment that human external cargo could experience bodily injury from a full cable unspooling or shock loads from recapture, these conditions are out of scope for these special conditions. These events are speculative, and the FAA does not have data to support this happens regularly during operations in the field.

Except as discussed above and in the Summary of Changes, the special conditions are adopted as proposed.

Applicability

As discussed above, these special conditions are applicable to the Model S–61 helicopters listed on the approved model list (AML) of STC No. SR02507NY, which is available at *https://drs.faa.gov/.* Should Carson apply at a later date for a change to STC No. SR02507NY to include any other model on the AML to incorporate the same novel or unusual design feature, these special conditions would apply to that model as well.

Under standard practice, the effective date of final special conditions would be 30 days after the date of publication in the **Federal Register**. However, as the certification date for Sikorsky Model S–61A, S–61L, and S–61N (including those modified by STC No. SH640NE, which shortens the S–61N by 50 inches) helicopters, as modified by Carson, is imminent, the FAA finds that good cause exists to make these special conditions effective upon publication.

Conclusion

This action only affects certain novel or unusual design features for the helicopters listed on the AML of STC No. SR02507NY. It is not a rule of general applicability and affects only the applicant who applied to the FAA for approval of these features on the helicopter.

List of Subjects in 14 CFR Part 29

Aircraft, Aviation safety, Reporting and recordkeeping requirements.

Authority Citation

The authority citation for these special conditions is as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40113, 44701, 44702, 44704.

The Special Conditions

Accordingly, pursuant to the authority delegated to me by the Administrator, the following special conditions are issued as part of the type certification basis for the Sikorsky Model S–61A, S–61L, and S–61N, and S–61N (including those modified by STC No. SH640NE) helicopters listed on the AML of STC No. SR02507NY, as modified by Carson.

(a) The Overload Protection Device (OLPD) must:

(1) Function properly for all loads up to and including the § 29.865(a) maximum external limit load.

(2) Be designed to hold any load up to 2.2 times the rated load and shall activate between 2.2 times the rated load and 3.5 times the rated load. This activation range must take into account production and maintenance tolerances (including aging and wear considerations), variations due to the environment (*e.g.,* temperature and humidity), and operations (*e.g.,* length of cable paid out). The above requirements must be met over the entire activation range. Recapture must never be below 2.2 times the rated load.

(3) Protect the helicopter and cargo by incorporating design activation limits (*i.e.,* defined set point(s) established in paragraph (a)(2)) which:

(i) Prevent excess cable tension that might result in cable failure or loads on the helicopter that endanger the aircraft,

(ii) Prevent uncommanded cable payout when experiencing cable loads below the activation range,

(iii) Allow cable payout when experiencing loads above the activation range, and

(iv) Arrest cable unspooling to prevent loss of cargo after an activation event.

(b) The OLPD installation, maintenance, and inspection instructions must be made a part of the applicable section(s) of the Instructions for Continued Airworthiness (ICA).

Issued in Des Moines, Washington, on July 31, 2025.

Michael T. Thompson,

Acting Manager, Technical Policy Branch, Policy and Standards Division, Aircraft Certification Service.

[FR Doc. 2025–14779 Filed 8–4–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2025–1726; Project Identifier 2008–NM–169–AD; Amendment 39–23100; AD 2010–09–11R1]

RIN 2120–AA64

Airworthiness Directives; BAE SYSTEMS (Operations) Limited Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; removal; request for comments.

SUMMARY: The FAA is removing Airworthiness Directive (AD) 2010–09–11, which applied to all BAE SYSTEMS (Operations) Limited Model BAe 146-series and Model Avro 146–RJ series airplanes. AD 2010–09–11 required repetitive inspections for cracking and corrosion and applicable corrective actions. Since the FAA issued AD 2010–09–11, the FAA issued AD 2022–06–14 to address the same unsafe condition. Accordingly, AD 2010–09–11 is removed.

DATES: This AD becomes effective August 5, 2025.

The FAA must receive comments on this AD by September 19, 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–2025–1726; 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 final rule, any comments received, and other information. The street address for Docket Operations is listed above.

FOR FURTHER INFORMATION CONTACT: Darren Gassetto, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: 516–228–7323; email: *9-AVS-AIR-BACO-COS@faa.gov.*

SUPPLEMENTARY INFORMATION:

Comments Invited

The FAA invites you to send any written relevant data, views, or arguments about this final rule. Send your comments using a method listed under the **ADDRESSES** section. Include ''Docket No. FAA–2025–1726; Project Identifier 2008–NM–169–AD'' at the beginning of your comments. The most helpful comments reference a specific portion of the final rule, 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 final rule 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 final rule.

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 AD 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 AD, 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 AD. Submissions containing CBI should be sent to Darren Gassetto, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: 516–228–7323; email: *9-AVS-AIR-BACO-COS@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 2010–09–11, Amendment 39–16276 (85 FR 23568, May 4, 2010) (AD 2010–09–11), for all BAE SYSTEMS (Operations) Limited Model BAe 146-series and Model Avro 146–RJ series airplanes. AD 2010–09–11 required repetitive X-ray inspections to detect fatigue cracks in the left- and right-wing upper skins, joint straps, and stringers in the vicinity of rib '0' until the following inspections are initially done:

- Repetitive high frequency eddy current (HFEC) inspections of the front and rear spar flanges, a detailed visual inspection of the stringers, and a detailed visual inspection of the stringer crown fittings, all at the rib '0' joint strap for cracking and corrosion.

AD 2010–09–11 also required repetitive detailed visual and HFEC inspections to detect cracking and corrosion of the rib '0' strap, radiographic inspections of the rib '0' joint, and ultrasonic inspections of the skin at the rib '0' joint strap; repairing any cracking or corrosion; and reporting initial inspection findings.

AD 2010–09–11 was prompted by AD 2008–0168, dated September 2, 2008, issued by the European Union Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Union. EASA determined that a revised inspection program for the wing top skin and joint strap at rib '0' is necessary to ensure the continued structural integrity of this area. The FAA issued AD 2010–09–11 to address cracking of the wing center section top skin, which could lead to structural failure and consequent loss of the airplane.

Actions Since AD 2010–09–11 Was Issued

Since the FAA issued AD 2010–09–11, the United Kingdom Civil Aviation Authority (UK CAA), which is the aviation authority for the United Kingdom, issued UK CAA AD G–2021–0011, dated October 8, 2021 (UK CAA AD G–2021–0011). UK CAA AD G–2021–0011 applies to all BAE SYSTEMS (Operations) Limited Model BAe 146-series and Model Avro 146–RJ series airplanes and requires revising the maintenance or inspection program, as applicable, to incorporate new or revised structural inspection requirements. UK CAA AD G–2021–0011 superseded EASA AD 2008–0168; however, instead of superseding FAA AD 2010–09–11, the FAA issued AD 2022–06–14, Amendment 39–21980 (87 FR 22126, April 14, 2022) (AD 2022–06–14). Therefore, certain structural inspections required by AD 2022–06–14 conflict with, and are more restrictive than, the inspections required by AD 2010–09–11. The FAA has determined that accomplishment of the more restrictive inspections in AD 2022–06–14 is necessary to adequately address the unsafe condition of AD 2010–09–11.

Conclusion

Upon further consideration, the FAA has determined that the actions required by AD 2010–09–11 are no longer appropriate. Accordingly, this AD removes all actions of AD 2010–09–11. Removal of AD 2010–09–11 does not preclude the FAA from issuing another related action or commit the FAA to any course of action in the future.

Justification for Immediate Adoption and Determination of the Effective Date

Section 553(b) of the Administrative Procedure Act (APA) (5 U.S.C. 551 *et seq.*) authorizes agencies to dispense with notice and comment procedures for rules when the agency, for ''good cause,'' finds that those procedures are ''impracticable, unnecessary, or contrary to the public interest.'' Under this section, an agency, upon finding good cause, may issue a final rule without providing notice and seeking comment prior to issuance. Further, section 553(d) of the APA authorizes agencies to make rules effective in less than thirty days, upon a finding of good cause.

AD 2010–09–11 requires unnecessary structural inspections because the unsafe condition identified in AD 2010–09–11 is corrected by the actions in AD 2022–06–14. In addition, the structural inspections required by AD 2022–06–14 are appropriate because they are more restrictive and more adequately address the unsafe condition. Accordingly, notice and opportunity for prior public comment are unnecessary pursuant to 5 U.S.C. 553(b). In addition, for the foregoing reasons, the FAA finds that good cause exists pursuant to 5 U.S.C. 553(d) for making this amendment effective in less than 30 days.

Regulatory Flexibility Act

The requirements of the Regulatory Flexibility Act (RFA) do not apply when an agency finds good cause pursuant to 5 U.S.C. 553 to adopt a rule without prior notice and comment. Because the FAA has determined that it has good cause to adopt this rule without prior notice and comment, RFA analysis is not required.

Costs of Compliance

There are no costs of compliance with this AD because this AD removes AD 2010–09–11 from 14 CFR part 39. Therefore, operators are no longer required to take any actions to show compliance with AD 2010–09–11.

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.

Regulatory Findings

The FAA determined that this AD will not have federalism implications under Executive Order 13132. This AD will 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 that this AD:

(1) Is not a ''significant regulatory action'' under Executive Order 12866,

(2) Will not affect intrastate aviation in Alaska, and

List of Subjects in 14 CFR Part 39

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

The Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA amends 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) AD 2010–09–11, Amendment 39–16276 (85 FR 23568, May 4, 2010), and

■ b. Adding the following new AD:

2010–09–11R1 BAE SYSTEMS (Operations) Limited: Amendment 39–23100; Docket No. FAA–2025–1726; Project Identifier 2008–NM–169–AD.

(a) Effective Date

This AD is effective August 5, 2025.

(b) Affected AD

This AD replaces AD 2010–09–11, Amendment 39–16276 (85 FR 23568, May 4, 2010) (AD 2010–09–11).

(c) Applicability

This action applies to all BAE SYSTEMS (Operations) Limited Model BAe 146–100A, –200A, and –300A airplanes and Model Avro 146–RJ70A, 146–RJ85A, and 146–RJ100A airplanes, certificated in any category.

(d) Subject

Air Transport Association (ATA) of America Code 57, Wings.

(e) Terminating Action

This AD terminates all requirements of AD 2010–09–11.

(f) Related Information

For more information about this AD, contact Darren Gassetto, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: 516–228–7323; email: *9-AVS-AIR-BACO-COS@faa.gov.*

(g) Material Incorporated by Reference

None.

Issued on July 30, 2025.

Steven W. Thompson,

Acting Deputy Director, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2025–14815 Filed 8–4–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF STATE

22 CFR Part 41

[Public Notice: 12783]

RIN 1400–AG01

Visas: Visa Bond Pilot Program

AGENCY: Department of State.

ACTION: Temporary final rule.

SUMMARY: In this temporary final rule (TFR), the Department of State (the Department) announces the commencement of a 12-month long visa bond pilot program. Aliens applying for visas as temporary visitors for business or pleasure (B–1/B–2) and who are nationals of countries identified by the Department as having high visa overstay rates, where screening and vetting information is deemed deficient, or offering Citizenship by Investment, if the alien obtained citizenship with no residency requirement, may be subject to the pilot program. Consular officers may require covered nonimmigrant visa applicants to post a bond of up to $15,000 as a condition of visa issuance, as determined by the consular officers.

DATES: This TFR and pilot program are effective August 20, 2025 until August 5, 2026.

FOR FURTHER INFORMATION CONTACT: Visa Services Office, Bureau of Consular Affairs, Department of State; telephone (202) 485–7586, *VisaRegs@state.gov.*

SUPPLEMENTARY INFORMATION:

I. Summary

This TFR establishes a visa bond pilot program (''Pilot Program'') under section 221(g)(3) of the Immigration and Nationality Act, as amended (INA), 8 U.S.C. 1201(g)(3), which authorizes consular officers to require the posting of a Maintenance of Status and Departure Bond (''visa bond'') by an alien applying for, and otherwise eligible to receive, a business visitor/tourist (B–1/B–2) visa [1] ''to insure that at the expiration of the time for which such alien has been admitted . . . or upon failure to maintain the status under which [the alien] was admitted, or to maintain any status subsequently acquired under section 1258 of this title [(INA section 248)], such alien will depart from the United States.''

Historically, Department guidance generally discouraged consular officers from exercising their authority to require visa bonds under INA section 221(g)(3), as reflected in guidance published in Volume 9 of the Foreign Affairs Manual (''9 FAM''), section 403.9–8(A) *Bonds Should Rarely Be Used,*[2] which states, ''[t]he mechanics of posting, processing and discharging a bond are cumbersome,'' and notes possible misperception of a bond requirement by the public. This view of a bond requirement is not supported by any recent examples or evidence, as visa bonds have not generally been required in any recent period, notwithstanding a 2020 pilot program that did not provide any substantive data. The Immigration and Naturalization Service Data Management Improvement Act of 2000 mandated the implementation of an integrated entry and exit data system with annual reports to Congress including among other information, ''the number of aliens who arrived pursuant to a nonimmigrant visa . . . for whom no matching departure data have been obtained through the system or through other means as of the end of the alien's authorized period of stay, with an accounting by the alien's country of nationality and date of arrival in the United States.'' A review of these reports going back over a decade demonstrates that hundreds of thousands of nonimmigrant visitors fail to timely depart in accord with the terms of their visitor visa.[3] The Pilot Program will enable the Department to assess the operational feasibility of posting, processing, and discharging visa bonds, in coordination with the Department of the Treasury (''Treasury'') and the Department of Homeland Security (''DHS''), and to inform any future decision concerning the possible use of visa bonds to ensure nonimmigrants using these visa categories comply with the terms and conditions of their visas and timely depart the United States.

The Department published a temporary final rule in 2020 initiating a six-month visa bond pilot program, aimed at assessing the operational feasibility of a visa bond program, 85 FR 74875 (Nov. 24, 2020). However, in light of the worldwide reduction in global travel as a result of the COVID–19 pandemic, the Department did not implement the pilot and consequently it did not provide any data on the feasibility for full implementation.

This Pilot Program responds to Executive Order 14159, ''Protecting The American People Against Invasion,'' which directs the Secretary of the Treasury, in coordination with the Secretaries of State and Homeland Security, to ''establish a system to facilitate the administration of all bonds'' under the provisions of the INA.[4] Under the Pilot Program, as discussed further below, visa bonds may be required from certain applicants for B–1/B–2 visas who are nationals of countries identified by the Department of State as having high visa overstay rates, where screening and vetting information is deemed deficient or, Citizenship by Investment (''CBI''), if the alien obtained citizenship with no residency requirement. The Department will announce the covered countries via *Travel.State.Gov* no fewer than 15 days before the Pilot Program takes effect, and this list may be amended throughout the pilot, with 15 days from announcement to enactment.[5] In announcing the covered countries, the Department will also provide a brief explanation of the basis for requiring bonds consistent with this rule. The face value of visa bonds will be deposited in the appropriate account using the Treasury-hosted *https://www.Pay.Gov* website via Form I–352, *Immigration Bond.*

DHS regulations at 8 CFR 103.6 provide for the posting, processing, and cancellation of such visa bonds. However, the Secretary of Homeland Security delegated the authority to the employees of the Department of State, as designated by the Secretary of State, to perform duties related to the acceptance and processing of maintenance of status and visa bonds.[6] The Secretary of State consents to Department of State employees performing duties related to the acceptance and processing of visa bonds as described in this TFR. The Department will accept and approve the I–352. Under the process for this Pilot Program, consular officers will require the visa bond be posted via *https://www.Pay.Gov* as a condition of visa issuance for certain visa applicants. After receiving the visa bond monies,

[1] For purposes of this rulemaking, ''B1/B2 visa'' refers to a business visitor (B–1) visa, tourist (B–2) visa, or combined business visitor/tourist (B–1/B–2) visa.

[2] *https://fam.state.gov/FAM/09FAM/09FAM040309.html.*

[3] See Section 2(a) of the Immigration and Naturalization Service Data Management Improvement Act of 2000 (Pub. L. 106–215, 114 Stat. 337, June 15, 2000) deriving from H.R. 4489 introduced May 18, 2000. As explained in the Congressional Record for May 25, 2000, section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), mandated an automated entry-exit control system with collection of data related to individuals who overstayed their authorized stay. The legislative effort from 2000 provided then INS with additional time to carry out the mandated entry-exit data collection in order to carry out the purpose of section 110 of the IIRIRA, which was to track individuals who overstay their allowable stay in the United States.

[4] 90 FR 8443 (Jan. 2029, 2025).

[5] Aliens traveling under the Visa Waiver Program fall outside the scope of the Pilot Program, as those travelers do not apply for visas.

[6] *See* 8 U.S.C. 1103(a)(6); 8 CFR 2.1.

the Treasury will place the visa bond monies in a DHS account, akin to an escrow account, held by Treasury subject to directions from DHS and/or the Department related to breach or cancellation of the visa bond as described in this TFR.

II. Purpose of This Rule

The Department is publishing this TFR to establish the Pilot Program, including: (1) the criteria for identifying visa applicants who will be required to post visa bonds; (2) three levels for the amount of the bond, with the level to be selected by the consular officer based on an alien's individual circumstances; (3) how covered countries will be announced; and (4) the duration of the Pilot Program. The Pilot Program will help the Department assess the operational feasibility of posting, processing, and discharging visa bonds, in coordination with Treasury and DHS, for the purpose of ensuring the legally required departure of an alien from the United States as described in section 221(g)(3) of the INA. This Pilot Program will inform any future decision concerning the possible use of visa bonds to address the national security and foreign policy priorities articulated in Executive Order 14159. The Pilot Program is further designed to serve as a diplomatic tool to encourage foreign governments to take all appropriate actions to ensure robust screening and vetting for all citizens in matters of identity verification and public safety, to create safeguards in CBI programs that provide citizenship without any residency in the country, and to encourage specified countries with visa overstays to ensure their nationals timely depart the United States after making temporary visits.

Executive Order 14159 directs the Secretary of the Treasury, in consultation with the Secretary of State and the Secretary of Homeland Security, to ''establish a system to facilitate the administration of all bonds that the Secretary of State or the Secretary of Homeland Security may lawfully require to administer the provisions of the INA.'' [7] The Department intends to use the results of the Pilot Program to assess the operational feasibility of posting, processing, and discharging visa bonds and to assess the burden such a program places on government agencies, which will inform any future decision concerning the possible use of visa bonds to address visa overstay rates and other security concerns, relative to operational considerations. The operational feasibility of posting, processing, and discharging visa bonds focuses on assessing the burdens such a program places on government agencies and identifying challenges that might arise from the interagency process for implementing visa bonds. While this Pilot Program is primarily designed to study the operational feasibility of implementing visa bonds, data collected during the Pilot may also be used to determine the effectiveness of visa bonds at reducing overstays, evaluate concerns about insufficient identity verification, and the extent to which visa bonds may deter otherwise legitimate B–1 and B–2 visa applicants from traveling to the United States.

III. Background

A. Foreign Policy Justification

Executive Order 14159 directs Treasury, in coordination with DHS and the Department, to take all appropriate action to implement a visa bond program. By its design and intention, the Pilot Program is a tool of diplomacy, intended to encourage foreign governments to take immediate action to reduce the overstay rates of their nationals when traveling to the United States for temporary visits, and to encourage countries to improve screening and vetting and the security of travel and civil documents, including in the granting of citizenship. As such, the rule properly is described as a key pillar of the Trump Administration's foreign policy to protect the United States from the clear national security threat posed by visa overstays and deficient screening and vetting.

The Secretary of State determined in *Public Notice 12682* [8] that securing America's borders and protecting its citizens from external threats is the first and highest priority of the foreign affairs function of the United States.[9] This effort requires the United States to marshal all available resources and authorities in support of securing the borders of the United States, including removing individual aliens who remain in the United States unlawfully. Executive Order 14159 states that ''[m]any of these aliens unlawfully present in the United States present significant threats to national security and public safety, committing vile and heinous acts against innocent Americans. Others are engaged in hostile activities, including espionage, economic espionage, and preparations for terror-related activities. Many have abused the generosity of the American people, and their presence in the United States has cost taxpayers billions of dollars at the Federal, State, and Local levels.'' This TFR addresses the Trump Administration's call to protect the American people by faithfully executing the immigration laws of the United States.

DHS produces annual reports containing nonimmigrant overstay data. In the DHS FY 2023 Overstay Report, DHS data indicated there were over 500,000 ''Suspected In-Country Overstays [10] (*i.e.,* aliens who remained in the country past the end of their authorized stay and had yet to depart the country) among nonimmigrants admitted through air or sea ports of entry.[11] The Department's review of DHS nonimmigrant reports, which have been regularly published since 2015, indicates that the average number of aggregated annual overstays is typically in the hundreds of thousands, with several countries having significant percentages or numbers of individual aliens who are believed to have overstayed their nonimmigrant visas.[12] Furthermore, the total number of annual overstays among foreign nationals admitted to the United States at an air or sea port of entry as nonimmigrant visitors for business or pleasure on a B–1 or B–2 visa, excluding travelers from Mexico, Canada, and Visa Waiver Program (VWP) participating countries,[13] has fluctuated in recent years, based on statistics published by DHS. For fiscal years beginning 2015, DHS has published an ''Overstay Report'' with a broad range of statistics relating to ''overstays,'' which DHS defines, for purposes of these reports, as ''a nonimmigrant who was lawfully admitted to the United States for an

[7] 90 FR at 8446.

[8] *See* Determination: Foreign Affairs Function of the United States, 90 FR 12200 (Mar. 14, 2025).

[9] *See, e.g.,* Executive Orders 14150, 14157, 14160, 14161, 14165.

[10] *See* DHS, Fiscal Year 2023 Entry/Exit Overstay Report, *https://www.dhs.gov/publication/entryexit-overstay-report.*

[11] ''Fiscal Year 2023 Entry/Exit Overstay Report'' prepared by DHS and submitted to Congress pursuant to Section 2(a) of the Immigration and Naturalization Service Data Management Improvement Act of 2000 (Pub. L. 106–215, 114 Stat. 337, June 15, 2000) (DHS FY 2023 Overstay Report), found at *https://www.dhs.gov/publication/entryexit-overstay-report.* In the Report, DHS further explained that by the end of December 2023, the number of Suspected In-Country Overstays for FY 2023 decreased to 510,363, due to departures and adjustments of status by aliens in that population. The report explains that overstay statistics reported do not take into account diplomats and other representatives, crewmembers, aliens in transit, and section 1367 special-protected classes, because they have ''unspecified authorized periods of stay and legal protections.'' DHS FY 2023 Overstay Report at Section III(C).

[12] *See* historical listing of DHS Entry/Exit Overstay Reports from 2015 to 2023. Link accessed May 1, 2025. *https://www.dhs.gov/publication/entryexit-overstay-report.*

[13] The Visa Waiver Program is described in INA 217, 8 U.S.C. 1187.

authorized period but stayed in the United States beyond [his or her] authorized admission period.'' [14] As explained in the report, if a nonimmigrant timely applies for an extension of the authorized period of admission or applies to change or adjust status, the authorized period of admission may be extended, thereby avoiding being counted as overstay. The reports for fiscal years 2015 through 2023 include statistics on foreign nationals who entered the United States at an airport or sea port of entry on a B–1 or B–2 visa, excluding travelers from Mexico, Canada, and VWP participating countries. For fiscal year 2019, DHS reported a total of 320,086 overstays among this category of nonimmigrant visitors, including ''out-of-country'' overstays (*i.e.,* those who departed some time before the end of FY 2019) and in-country overstays (*i.e.,* those who remained in the United States at the end of FY 2019).[15] The number of such overstays fluctuated during and after the COVID pandemic, rising from 352,748 for FY 2020,[16] to 504,636 for FY 2022,[17] finally back to 314,111 for FY 2023.[18]

By focusing the Pilot Program on certain countries identified as having high visa overstay rates among aliens admitted to the United States for business or pleasure (B–1/B–2) via air and sea ports of entry,[19] where screening and vetting information is deemed deficient, or which offer CBI with no residency requirement, the Department sends a message to all countries to take immediate action to encourage their nationals to comply with U.S. immigration law and address insufficient identity verification and criminal records, including for naturalized citizens of CBI countries without residency requirement. The countries subject to the Pilot Program will be announced on *https://www.travel.state.gov* and may modified on a rolling basis.

B. Legal Framework Underlying the Pilot Program

As detailed below, the INA grants, and Department regulations implement, consular officer authority to require bonds in appropriate circumstances. Although, historically, as a matter of policy, Department guidance has discouraged consular officers from exercising their authority to require bonds,[20] a fresh review of DHS entry-exit data has been compiled since 2015, and pursuant to authorities set forth in 1996 by the Illegal Immigration Reform and Immigrant Responsibility Act, amended by the Immigration and Naturalization Service Data Management Improvement Act of 2000, and viewed in conjunction with E.O. 14159 and Public Notice 12682, the Department is revisiting this historical guidance by first determining the feasibility of a different approach to addressing the significant foreign policy and national security threats presented by the hundreds of thousands of annual nonimmigrant visitor overstays.[21]

1. INA Provisions

Section 221(g)(3) of the INA, 8 U.S.C. 1201(g)(3), authorizes consular officers to require the posting of a bond by an alien applying for, and otherwise eligible to receive, a business/tourist (B–1/B–2) visa ''to insure that at the expiration of the time for which such alien has been admitted . . . or upon failure to maintain the status under which [the alien] was admitted, or to maintain any status subsequently acquired under section 1258 of this title [(INA sec. 248)], such alien will depart from the United States.'' INA sec. 221(g)(3), 8 U.S.C. 1201(g)(3), implicitly recognizes that there is no guarantee that an alien will depart in a timely fashion, even when an applicant is found otherwise eligible for the visa. Consequently, the same INA section contemplates that it may be appropriate to require a bond when an applicant is otherwise eligible for a visa.

2. Applicable Regulations

Regulations regarding visa bonds include 22 CFR 41.11(b)(2), which provides that, ''[i]n a borderline case in which an alien appears to be otherwise entitled to receive a visa under INA 101(a)(15)(B) or (F) but the consular officer concludes that the maintenance of the alien's status or the departure of the alien from the United States as required is not fully assured, a visa may nevertheless be issued upon the posting of a bond with the Secretary of Homeland Security under terms and conditions prescribed by the consular officer.'' Additionally, 22 CFR 41.31(a)(1) references consular officer authority to require bonds from applicants for visas for temporary visits for business or pleasure (B–1/B–2) whose maintenance of status or departure ''does not seem fully assured.'' 8 CFR 221.1 provides, ''The district director having jurisdiction over the intended place of residence of an alien may accept a bond on behalf of an alien defined in section 101(a)(15)(B) or (F) of the Act prior to the issuance of a visa to the alien or upon receipt of a request directly from a U.S. consular officer or upon presentation by an interested person of a notification from the consular officer requiring such a bond; such a bond also may be accepted by the district director with jurisdiction over the port of entry or pre-inspection station where inspection of the alien takes place.'' 8 CFR 221.1 also outlines some procedural aspects of bond processing and refers to 8 CFR 103.6 for more procedural rules relating to bonds. Lastly, 8 CFR 103.6 outlines the procedures relating to bond riders, acceptable sureties, cancellation, or breaching of bonds in detail. These regulations reinforce the broad scope of the statutory authority of the Department and consular officers to require bonds to help ensure the timely departure from the United States of any visitor on a B–1/B–2 visa, when the alien is otherwise eligible for a visa, because an alien's departure after entering the United States can never be fully assured at the time of visa issuance or admission to this country.

3. Foreign Affairs Manual

Despite the regulatory foundation for consular officers to issue visa bonds, historically, as a matter of policy, the Department has discouraged consular officers from exercising their authority to require bonds, as reflected in volume 9 of the *Foreign Affairs Manual* at section 403.9–8(A), which provides, ''[a]lthough 22 CFR 41.11(b)(2) permits consular officers, in certain cases, to require a maintenance of status and departure bond, it is Department policy that such bonds will rarely, if ever, be used.'' The FAM section indicates that this policy relies, in part, on an assessment that ''[t]he mechanics of posting, processing and discharging a bond are cumbersome.'' The Pilot Program will help the Department assess the continued reliance upon the

[14] DHS Fiscal Year 2023 Entry/Exit Overstay Report, *https://www.dhs.gov/publication/entryexit-overstay-report* (*DHS FY2023 Overstay Report*), at Section III(C).

[15] *Id.* at page 14, Table 2.

[16] DHS Entry/Exit Overstay Report for Fiscal Year 2020, *https://www.dhs.gov/publication/entryexit-overstay-report,* at page 14, Table 1.

[17] DHS Entry/Exit Overstay Report for Fiscal Year 2022, *https://www.dhs.gov/publication/entryexit-overstay-report,* at page 12, Table 1.

[18] DHS Entry and Exit Overstay Report for Fiscal Year 2023, *https://www.dhs.gov/publication/entryexit-overstay-report,* at page 10, Table 1.

[19] This analysis excluded nationals of Canada, Mexico, and countries that participate in the Visa Waiver Program, because, among other reasons, the procedures or requirements for B–1/B–2 status for nationals of those countries differ from nationals of other countries and generally do not involve applying for visas.

[20] *See* 9 FAM 403.9–8(A) *Bonds Should Rarely Be Used.*

[21] *See* 9 FAM 403.9–8(A) *Bonds Should Rarely Be Used.*

untested historical assessment that imposing visa bonds to achieve the foreign policy and national security goals of the United States remains too cumbersome to be practical. The pilot program will allow the Department to truly determine the operational feasibility of posting, processing, and discharging visa bonds, in coordination with Treasury and DHS, and inform future decisions concerning the use of visa bonds as a diplomatic tool to address overstays and insufficient identity verification, including for citizens of CBI countries who obtained citizenship with no residency requirement. The Pilot Program will constitute an exception to that general guidance with respect to the categories of aliens covered by the Pilot Program, during the 12-month duration of the Pilot Program.

IV. Parameters of the Pilot Program

The Pilot Program will last 12 months, beginning on the effective date of this TFR. The program will be limited to aliens who are: applying for B–1/B–2 nonimmigrant visas and are nationals of countries that the Department has identified: (1) as having high visa overstay rates; (2) where screening and vetting information is deemed deficient; or (3) as offering CBI, if the alien obtained citizenship with no residency requirement. The Department has selected these criteria as the bases for requiring a bond because they are generally indicators that an applicant may pose a higher potential to overstay his or her admitted stay in the United States or otherwise fail to maintain the status in which he or she was admitted, or to maintain any nonimmigrant status subsequently acquired. The Department has reached this conclusion for the following reasons. First, the Department finds that a country's high overstay rate is an indicator that a national of that country is at a higher risk of overstaying than nationals of countries with lower overstay rates. Second, the Department finds that nationals of countries where vetting and screening are deficient are nationals for whom there are concerns about overstay risks because the Department has difficulty obtaining full background and criminal history information. Third, nationals of a country with CBI who obtained citizenship with no residency requirement may have insufficient personal history within or connections to their country of nationality for sufficient screening and vetting checks to be conducted. Covered visa applicants will be required to post a bond of up to $15,000 as a condition of visa issuance, with the exact amount of the bond based upon the applicant's circumstances as determined by the consular officer but in an amount of no less than $5,000, unless the bond requirement is waived. Compliance with the bond will require arrival into and departure from the United States by air from one of the airports pre-selected for use during this pilot program, based on their capacity to automatically confirm that the alien has departed the United States in accordance with the bond's conditions. The selected airports will be announced on *www.travel.state.gov* 15 days ahead of bonds being implemented and may be modified on a rolling basis.

A. Overstay Rates and Deficient Screening and Vetting

For purposes of the Pilot Program, country overstay rates will be determined based on the DHS FY 2023 Overstay Report, which is the most recent edition of this report and was published on August 5, 2024.[22] The countries subject to the pilot program will be determined based on DHS published data on overstays by nationals of the country admitted to the United States as a temporary visitor for business or pleasure (B–1/B–2 nonimmigrant status) via air and seaports of entry. The data set excluded Canada, Mexico, and countries participating in the VWP.[23] Regarding countries that have deficient screening and vetting information, Executive Order 14161 directs the Secretary of State to identify ''countries throughout the world for which vetting and screening information is so deficient as to warrant a partial or full suspension on the admission of nationals.'' Following that review, on June 4, 2025, President Trump issued Proclamation 10949, titled ''Restricting the Entry of Foreign Nationals To Protect the United States From Foreign Terrorists and Other National Security and Public Safety Threats,'' in which the President determined to either fully or partially restrict and limit the entry of nationals from specific countries.[24] Finally, regarding nationals of countries with CBI who obtained citizenship without any residence requirement, these applicants are sometimes able to undergo a name change to conceal past criminal or other illicit ties, and are not tied to the host country's screening and vetting apparatus. Furthermore, Executive Order 14161 directed the Secretary to ''evaluate all visa programs to ensure that they are not used by foreign nation-states or other hostile actors to harm the security, economic, political, cultural, or other national interests of the United States.'' The countries covered by the Pilot Program will be announced via *travel.state.gov* 15 days ahead of bonds being implemented and may be modified on a rolling basis.

The DHS FY 2023 Overstay Report provides data on departures and overstays, by country of nationality, for foreign visitors to the United States who were expected to depart in FY 2023 (October 1, 2022–September 30, 2023). For purposes of the DHS FY 2023 Overstay Report and this Pilot Program, a ''visa overstay'' is an alien who was lawfully admitted to the United States and remains in the United States beyond the period of admission authorized by DHS. The initial authorized admission period is a fixed period determined by DHS at the time a B–1/B–2 visa holder applies for admission to the United States, but in some circumstances, an admission period may be extended by U.S. Citizenship and Immigration Services (USCIS) upon adjudication of an application for an extension of stay or change of nonimmigrant status.

Under the terms of the Pilot Program, an alien admitted to the United States for a temporary period as a nonimmigrant will have his or her bond cancelled if the alien (a) complies with all the conditions of each specific nonimmigrant status which she or he is accorded while classified in such status, including the condition that the alien should not accept unauthorized employment, and (b) departs from the United States on or before the date to which he or she is authorized to remain in the United States. An alien will also have his or her bond cancelled if he or she (a) is granted or has timely and properly filed an application for an extension of stay or a change in nonimmigrant status, (b) complies with all the conditions of each specific nonimmigrant status which he or she is accorded while in such status, including the condition that the alien should not accept unauthorized employment, and (c) departs from the United States on or before the extended date to which she or he is authorized to remain in the United States.

The bond obligation shall become due and payable if the alien breaches the visa bond by: (a) violating any condition of his or her status; (b) filing an unexcused untimely application for

[22] *Id. Id.* The FY 2024 report has not yet been released. *See* DHS Entry/Exit Overstay Reports, *https://www.dhs.gov/publication/entryexit-overstay-report. Id.*

[23] A country's continued participation in the Visa Waiver Program may depend on overstay rates. *See* INA section 217(c)(3), (f); 8 U.S.C. 1187(c)(3), (f).

[24] 90 FR 24497 (June 4, 2025).

change of status or extension of his or her lawful admission; (c) remaining in the United States after expiration of the period of admission or (d), if the alien timely and properly files an application for change of status or extension of her or his lawful temporary stay, the alien does not depart the United States within 10 days after denial of such request.

B. Posting Bonds via Treasury's www.Pay.Gov Interface

As noted above, the purpose of the Pilot Program is to assess, in coordination with Treasury and DHS, the operational feasibility of: (1) posting the bond via Treasury's *www.Pay.Gov* service; and (2) processing, and discharging visa bonds, to inform any future decision concerning the possible use of visa bonds to address overstays and other identified immigration policy concerns.

C. B–1/B–2 Visa Applicants Only

To determine the feasibility of the Pilot Program, the Department is conducting a pilot to collect data and limiting the pilot to aliens whose authorized period of admission in the United States should be concluded within the designated time period, allowing for data collection at all stages of the process. Although section 221(g)(3), of the INA, 8 U.S.C. 1201(g)(3), authorizes consular officers to require visa bonds from applicants for B–1/B–2 visas and F (student) visas, the Pilot Program is limited to B–1/B–2 visa applicants, because their authorized period of stay after admission to the United States is fixed by DHS Customs and Border Protection (CBP) officers at the port of entry and typically lasts a matter of months. CBP officers typically authorize a maximum of one year for business visitors pursuant to 8 CFR 214.2(b)(1), and typically six months for tourists, in accordance with 8 CFR 214.2(b)(2). In contrast, F–1 nonimmigrant students generally are admitted for the duration of their status as of the time this rule was published, pursuant to 8 CFR 214.2(f)(5), which commonly is multiple years. Because the Pilot Program will last only for a limited duration, F–1 nonimmigrant students, who are in most cases likely to be authorized to remain in the United States for multiple years, would be unlikely to complete the bond cycle (which ends with cancellation or breach of the bond) during the duration of the Pilot Program. B–1/B–2 visas issued to aliens covered by the Pilot Program will be annotated to reflect the visa bond requirement. That annotation may be taken into account by CBP officers which will generally limit the period of admission for any such visa holders to 30 days.

D. Limited Waiver Process

For the duration of the Pilot Program, there will be no bond waiver application process. Section 41.11(c)(3) of the Department's regulations in title 22 CFR grants the Deputy Assistant Secretary (DAS) for Visa Services discretionary authority to waive the bond requirement, for an alien or a category of aliens, if the DAS assesses that a waiver would not be contrary to the national interest. Because all visa applicants will be presumed to want a waiver of the bond requirement, and because the only information that might be provided by an applicant that would be relevant to a waiver decision is the applicant's purpose of travel and possibly employment, which already is requested from all applicants, there will be no bond waiver application process. However, consular officers will have the authority to request waivers in very limited circumstances, such as travel for U.S. Government employees or urgent humanitarian needs, and the DAS for Visa Services has the discretionary authority to grant or deny those recommendations.

E. Bond Amounts

In accordance with the statutory and regulatory framework described above, the Department, through consular officers, has broad authority to require a visa applicant to post a bond in such sum and with such conditions as would help ensure the alien's timely departure from the United States. To promote the efficiency of the Pilot Program and avoid arbitrary and inconsistent bond amounts, the Department is setting guidelines for the bond amount. Because INA section 221(g)(3), 8 U.S.C. 1201(g)(3), indicates consular officers must consider each visa applicant's personal circumstances in setting the bond amount, by its reference to the consular officer prescribing a bond's sum and conditions to be sufficient to insure ''such alien will depart from the United States'' in a timely manner, the Department is providing consular officers three options for bond amounts: $5,000, $10,000, and $15,000. The Department believes these three levels will provide consular officers discretion to require a bond in an amount that is sufficient enough to ensure the alien does not overstay, while taking into account the visa applicant's circumstances.

Consular officers will be expected to set the bond amount at $10,000, unless the officer has reason to believe the visa applicant's circumstances would render the applicant unable to pay that amount (but yet remain sufficiently financed to pay all travel expenses through the period of intended stay in the United States), in which case the bond would be set at $5,000. Alternatively, if the alien's circumstances, including the nature and extent of the alien's contacts in the United States, would suggest a $10,000 bond would not be sufficient to ensure the alien would timely depart the United States, the officer would require a $15,000 bond as a condition of visa issuance. In making such determinations, consular officers will take into account the totality of the circumstances, including any information provided by the visa applicant on the visa application or in the visa interview regarding the alien's purpose of travel, current employment, income, skills, and education.

The three options for bond amounts were set following consultations with Treasury and DHS. In setting the amounts, the Department took into consideration costs associated with removal, including the full Immigration Enforcement Lifecycle cost (including mission support costs) ending with removal, as computed by DHS at approximately $17,121 per alien.[25] The Department viewed these costs as relevant, because an alien who overstays his or her authorized period of stay and who must be placed into removal proceedings requires the U.S. government to incur immigration enforcement-related costs that otherwise would not be incurred. For the purposes of the Pilot Program, an alien who breaches a bond would generally forfeit the bond amount, which could be used, in part, to reimburse the U.S. government for expenses incurred in the

[25] Immigration Enforcement Lifecycle (IEL) cost represents a fully burdened managerial cost accounting for the average cost burden to perform each aspect of the lifecycle, yielding a total IEL cost per overstaying alien in the year of budget execution. The cost is developed and published by the ICE Office of the CFO (CFO)/Office of Budget Program and Performance (OBPP)/Performance Analysis & Evaluation (PA&E) at the end of each fiscal year. In Fiscal Year (FY) 2024, the Enforcement and Removal Operations (ERO) Policy Planning and Administration (PPA) was given an appropriation of $5.082 billion across its five (5) sub-PPAs to enforce immigration law and remove illegal aliens from the United States. The lifecycle calculation includes the baseline direct cost expenditures of the ERO PPA, which are the personnel and general expenditures required for operational enforcement on a daily basis. To this amount is added the indirect management and administrative (M&A) costs of ICE personnel who assist the ERO Program in accomplishing its mission. This includes support from such components as acquisition (OAQ), information technology (OCIO), asset management (OAFM), human resources (OHC), budget (CFO/OBPP), and legal advisory (OPLA). For FY 2024, the total IEL cost is approximately $17,121 per illegal alien.

collection of breached bonds and for expenses associated with the detention of illegal aliens, necessitated by the alien overstaying his or her authorized period of stay.[26]

F. Duration of Pilot Program

The Department will conduct the Pilot Program for 12 months, beginning on August 20, 2025. The Department determined, in consultation with Treasury and DHS, that 12 months is an adequate period to ensure that multiple visa applicants will have completed the full bond cycle, from the visa interview, through travel to the United States, to a final determination of bond cancellation or breach. Experience with each of the steps of the bond cycle is necessary to assess the operational feasibility of posting, processing and discharging a visa bond, in coordination with Treasury and DHS. Following the conclusion of the Pilot Program, consular officers no longer will require the posting of bonds based on the guidance set out in this TFR; however, any visa bonds posted as part of the Pilot Program will remain in effect until either breached or cancelled, in accordance with terms and conditions set out on Form I–352, *Immigration Bond,* even after the Pilot Program period has ended.

V. Visa Bond Procedures Under the Pilot Program

A. Applying for a Visa

All applicants from covered countries as listed on *Travel.State.Gov* will apply for nonimmigrant visas by following the standard procedures including scheduling an appointment at the consular section at a U.S. embassy or consulate and paying the associated Machine-Readable Visa fees.

B. Setting the Bond

During the course of the visa interview, a consular officer will determine if an applicant is otherwise eligible for a visa, and if the applicant falls within the scope of the Pilot Program. If the applicant falls within the scope of the Pilot Program, the consular officer will inform the applicant of the bond requirement and the amount of the required bond, whether $5,000, $10,000, or $15,000. The consular officer will advise the applicant that he or she must post a bond and the consular officer will deny the visa under INA section 221(g), 8 U.S.C. 1201(g), to provide further information about posting the bond through the *www.Pay.Gov* interface. That denial may be overcome if a bond in the required amount is duly posted within 30 days of the interview by the visa applicant or on the visa applicant's behalf by a single payer. The officer will provide to the applicant: (1) a notice explaining the bond requirement and procedures for posting a cash bond via *www.Pay.Gov* and (2) the link to the *www.Pay.Gov* site for posting the bond. DHS regulations at 8 CFR 103.6 currently provide for the posting, processing, and cancellation of such visa bonds. Due to the short duration of the visas being issued, should the visa applicant post the bond more than 30 days after the interview, the consular officer may conduct a further interview to reconfirm the applicant's purpose of travel.

C. Paying the Bond

The Department will email the applicant, using the contact information provided by the applicant, providing him or her a link to submit a Form I–352 associated with his or her application and the required bond amount payable through *www.Pay.Gov.* Submission of the Form I–352 includes submission of the required bond amount. All terms and conditions set out on Form I–352 applicable to maintenance of status and departure bonds shall apply. The obligor on the bond, whether a person who posts a cash bond on behalf of the visa applicant or the visa applicant, will be informed if the visa applicant fails to comply with the terms and conditions of the bond and, consequently, that the bond has been breached. The procedures for determining and enforcing a breach are set out on Form I–352 and in DHS regulations, including 8 CFR 103.6. However, as stated above, the Secretary of Homeland Security delegated the authority to the employees of the Department of State, as designated by the Secretary of State, to perform duties related to the acceptance and processing of maintenance of status and visa bonds.[27] State will receive confirmation from Treasury that the bond has been posted, at which point State will approve the Form I–352 and return an electronic copy to the applicant.

D. Issuing the Visa

The consular section where the visa applicant applied will rely on contact information provided by the applicant to contact the applicant regarding the final process to issue the visa. If, upon further review, the consular officer determines the applicant is not eligible for the requested visa, the consular officer will deny the visa, and the bond will be cancelled. If the required bond is posted, and the consular officer subsequently determines the applicant remains otherwise eligible for a visa, the officer will issue the visa, valid for a single entry within three months of the date of visa issuance, with an annotation indicating the posting of a visa bond.

- This limited visa validity period is necessary to increase the likelihood that travel, notwithstanding the terms of the bond, is completed within a time frame conducive to gathering data from the Pilot Program.
- During the Pilot Program, as a condition of the bond, these visa holders may only enter and depart the United States through pre-selected ports of entry. These ports of entry will be announced via *travel.state.gov.*
- The visa annotation will alert CBP officers at these ports of entry that the applicant has posted a visa bond under the Pilot Program.
- CBP officers at the port of entry will limit the period of admission to 30 days.

E. Cancellation of the Bond—Return

Pursuant to 8 CFR 103.6(c)(3), the bond should be canceled when there has been ''substantial performance of all conditions imposed by the terms of the bond.'' [28] Bond proceeds will be returned for any visa holder who complies with the terms and conditions of the bond, based on information provided by DHS through the Arrival and Departure Information System (ADIS) in the following circumstances:

- Following the timely departure from the United States of a visa holder for whom a bond was posted, as captured in the visa holder's departure from the United States through a designated air port of entry.
- Upon expiration of the visa, if the visa holder did not travel to the United States, as captured by ADIS.
- Following CBP deeming the visa holder inadmissible and cancelling the visa by CBP at the port of entry, as captured by ADIS.

The applicant on any canceled bond will be entitled to a full refund. There will be no accrued interest on visa bonds that are issued and canceled as part of this pilot program. The Department also will provide the applicant with a Notice—Immigration Bond Cancelled (Form I–391), which confirms compliance with the conditions of the bond.

[26] 8 U.S.C. 1356(r)(3).

[27] *See* 8 U.S.C. 1103(a)(6); 8 CFR 2.1.

[28] Conditions of the bond as set forth in paragraph G(4) of Form I–352.

F. Cancellation of the Bond—Manual Request

A visa holder may pursue cancellation of the bond by requesting an appointment with consular officials outside the United States within 30 days of his or her departure from the United States, or if a visa holder wishes to cancel the bond before the visa expires and without traveling. A consular officer will only approve this appointment if the consular officer confirms that the visa holder's departure was not registered in ADIS. A visa holder may confirm his or her identity by presenting a passport and responding to questions by the consular officer to confirm identity. He or she should also provide evidence demonstrating that he or she departed the United States on or before the expiration of their authorized period of stay. There are no particular documents required to demonstrate timely departure from the United States. Travelers may present to the consular officer a variety of information, including but not limited to:

- Original boarding passes used to depart the United States;
- Photocopies of entry or departure stamps in a passport indicating entry to another country after departure from the United States (the traveler should copy all passport pages that are not completely blank, and include the biographical page containing his or her photograph); and
- Photocopies of other supporting evidence, such as:
- Dated pay slips or vouchers from an employer to indicate work in another country after departure from the United States,
- Dated bank records showing transactions to indicate presence in another country after departure from the United States,
- School records showing attendance at a school outside the United States after departure from the United States, and
- Dated credit card receipts showing the traveler's name, with the credit card number deleted, for purchases made after leaving the United States.

The visa holder may also be required to demonstrate that he or she maintained the conditions of his or her status while admitted to the United States. A consular officer then will assess the information received to make a preliminary determination regarding whether the applicant has complied with the terms of the bond or breach has occurred.

E. Bond Breach

If a visa holder fails to comply with the terms and conditions set forth in Form I–352, the bond will be considered breached, and the bond deposit will be forfeited. If the Department makes a preliminary finding that a visa holder has not complied with the terms and conditions of the bond, the Department will then forward the case to DHS, which is responsible for making the final determination pursuant to 8 CFR 103.6(c)(3). A visa bond will be forfeited when there has been a substantial violation of the terms and conditions set forth in paragraph G(4) of Form I–352.

At the conclusion of the Pilot Program, consular officers will no longer require the posting of bonds based on this TFR; however, any bonds posted under the Pilot Program will remain in effect until either breached or cancelled in accordance with their terms and conditions of issuance.

Appeal of a Bond Breach Determination

The rights relating to the appeal of a DHS determination of a bond breach, including which rights would accrue after DHS makes a bond breach determination, are detailed in the instructions on Form I–352 and Form I–290B.

Benefits and Costs

The benefit of this Pilot Program will be a practical assessment of the operational feasibility of posting, processing, and discharging visa bonds and to assess the burden such a program places on government agencies, which will inform any future decision concerning the possible use of visa bonds to address visa overstay rates and other immigration policy goals, relative to operational considerations. If the visa bond program is determined to be operationally feasible, it would serve as a critical diplomatic tool to compel other countries to address overstays by their nationals and to address deficiencies in their identity verification standards and practices.

Until the Pilot Program countries are selected, the Department is unable to estimate the number of visa applicants that will fall within the scope of the Pilot Program. However, the Department expects the parameters of, and the countries included in, the Pilot Program to be limited due to the number of aliens expected to be found otherwise qualified for visas, and uncertainty as to the number of aliens who will choose to post a visa bond. For these reasons, the Department assumes visa bonds will be required for 2,000 visa applicants during the 12-month Pilot Program. If the average bond is $10,000 (from options of $5,000, $10,000, and $15,000), the initial cost to aliens of bonds for 2,000 visa applicants will be $20,000,000. However, assuming all nonimmigrants for whom bonds are posted comply with the terms and conditions of the bond, the actual bond amount is a temporary expenditure that will be fully refunded if cash bonds are posted.

The estimated amount of time needed for an average respondent to complete Form I–352 is thirty minutes (.50 hours) per response. The estimated additional time burden associated with this TFR, which will include arranging for the posting of a bond and returning to a consular section following their departure from the United States to confirm their compliance with the terms and conditions of the bond, is estimated to be two hours.[29] The 2024 Bureau of Labor Statistics estimate for the median U.S. hourly wage for all occupations is $23.80,[30] thus the Department estimates that this will cost each alien $47.60.

The total cost to the government associated with this Pilot Program will be determined by the number of visa applicants that will fall within the scope of the Pilot Program. That amount will include printing costs, the collection and processing burden for each Form I–352, and additional processing by consular officers. The cost of printing two forms per response is $0.75. The collection and processing of each Form I–352 takes an average of 6 hours and will be conducted by a government employee with an average hourly wage plus overhead, estimated to be $28.02. The estimated additional time a consular officer with an average hourly wage of $135 will expend for each case subject to a bond is 30 minutes. If a traveler breaches a bond posted pursuant to this TFR, DHS will incur some cost in collecting on the bond. Because DHS has no reliable basis for estimating the number of travelers or the percentage of travelers posting bonds who will breach the terms and conditions of the bond, DOS is unable to estimate the cost associated with enforcing bond breaches.

VI. Regulatory Findings

Administrative Procedure Act (APA)

The Secretary of State has determined that all policy related to visa operations and issuance, among other matters, constitutes a foreign affairs function of the United States under the Administrative Procedure Act (5 U.S.C.

[29] If the alien is determined to be eligible for the visa, the alien will be required to pay the bond via *www.pay.gov* and return to the Consular Section to complete processing and issuance. The Department estimates that for most aliens this will take no more than two hours.

[30] *https://data.bls.gov/oes/#/industry/000000.*

553(a)(1)).[31] The subject matter of this TFR involves visa policy, which is a foreign affairs function of the United States, directly implicating relationships between the United States and the specific countries whose nationals may be subject to the Pilot Program. The Pilot Program will, among other things, allow the Department to study the feasibility of using nonimmigrant visa bonds as a potential diplomatic tool to encourage foreign governments to take immediate action to ensure that their nationals timely depart the United States after making temporary visits. Therefore, this TFR clearly and directly impacts the foreign affairs functions of the United States and ''implicat[es] matters of diplomacy directly.'' *City of N.Y.* v. *Permanent Mission of India to the U.N.,* 618 F.3d 172, 202 (2d Cir. 2010).

Consistent with the Secretary's determination regarding rules that involve a foreign affairs function, the Pilot Program is a tool of diplomacy to influence actions by foreign governments. By requiring visa bonds for visa applicants from the listed countries with high overstay rates for B–1/B–2 visa holders, inadequate documentation or screening and vetting, and CBI without residency, the Pilot Program aims to encourage those countries to cooperate with the United States in ensuring timely departure of their citizens/nationals from the United States and to signal to other countries that the United States takes overstays seriously. The Department's focus on these countries will demonstrate the United States' intolerance of visa overstays and encourage the foreign governments to cooperate in addressing overstays by their nationals. Accordingly, this TFR is properly viewed as one that ''clearly and directly involve[s] activities or actions characteristic to the conduct of international relations.'' *Capital Area Immigrants' Rights Coal.* v. *Trump,* 471 F. Supp. 3d 25, 53 (D.D.C. 2020).

Regulatory Flexibility Act/Executive Order 13272: Small Business

This TFR would not regulate ''small entities'' as that term is defined in 5 U.S.C. 601(6) and as such would not have a significant economic impact on a substantial number of small entities. This TFR only proposes to regulate individual visa applicants. The Department affirms that this proposed rule would not have a significant economic impact on a substantial number of small entities.

[31] *See* Determination: Foreign Affairs Function of the United States, 90 FR 12200 (Mar. 14, 2025).

Unfunded Mandates Act of 1995

The Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1532, generally requires agencies to prepare a statement before proposing any rule that may result in an annual expenditure of $100 million or more by State, local, or tribal governments, or by the private sector. This TFR does not require the Department to prepare a statement because it will not result in any such expenditure, nor will it significantly or directly affect small governments, including State, local, or tribal governments, or the private sector. This TFR involves visas for aliens, and does not directly or substantially affect State, local, or tribal governments, or businesses.

Congressional Review Act of 1996

The Office of Information and Regulatory Affairs has determined that this TFR is not a major rule as defined in 5 U.S.C. 804, for purposes of congressional review of agency rulemaking. This TFR will not 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 on the ability of companies based in the United States to compete with foreign based companies in domestic and import markets.

Executive Order 12866 (Regulatory Planning and Review) and Executive Order 13563 (Improving Regulation and Regulatory 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. These Executive Orders stress the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. The Office of Information and Regulatory Affairs has determined that this is a significant regulatory action under Section 3(f) of Executive Order 12866.

Executive Orders 12372 and 13132—Federalism

This Temporary Final Rule 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. Nor will the Temporary Final Rule have federalism implications warranting the application of Executive Orders 12372 and 13132.

Executive Order 13175—Consultation and Coordination With Indian Tribal Governments

The Department has determined that this rulemaking will not have tribal implications, will not impose substantial direct compliance costs on Indian tribal governments, and will not pre-empt tribal law. Accordingly, the requirements of Section 5 of Executive Order 13175 do not apply to this rulemaking.

Executive Order 12988—Civil Justice Reform

The Department has reviewed this TFR in light of sections 3(a) and 3(b)(2) of Executive Order 12988 to eliminate ambiguity, minimize litigation, establish clear legal standards, and reduce burden.

Executive Order 14192—Unleashing Prosperity Through Deregulation

This rule is not an Executive Order 14192 regulatory action because it is being issued with respect to foreign affairs and immigration related functions of the United States. The rule's primary direct purpose is to implement or interpret the immigration laws of the United States (as described in INA § 101(a)(17); 8 U.S.C. 1101(a)(17)) or any other function performed by the U.S. Federal Government with respect to aliens.

Paperwork Reduction Act

This TFR does not impose any new reporting or record-keeping requirements subject to the Paperwork Reduction Act, 44 U.S.C. Chapter 35. The Department of State will rely on form I–352 from the Department of Homeland Security, OMB Control Number 1653–0022, to implement the provisions of this rule. The Department of Homeland Security has accounted for this use of the form in its information collection requests to the Office of Management and Budget.

List of Subjects in 22 CFR Part 41

Administrative practice and procedure, Aliens, Passports and visas.

For the reasons stated in the preamble, the Department amends 22 CFR part 41 to read as follows:

PART 41—VISAS: DOCUMENTATION OF NONIMMIGRANTS UNDER THE IMMIGRATION AND NATIONALITY ACT, AS AMENDED

■ 1. The authority citation for part 41 is revised to read as follows:

Authority: 8 U.S.C. 1101; 1102; 1103; 1104; 1182; 1184; 1185 note (section 7209 of Pub. L. 108–458, as amended by section 546 of Pub. L. 109–295); 1323; 1361; 2651a.

■ 2. Amend § 41.11 by adding paragraph (c) to read as follows:

§ 41.11 Entitlement to nonimmigrant status.

* * * * *

(c) *Visa Bond Pilot Program*—(1) *Summary.* This paragraph (c) establishes a pilot program (Visa Bond Pilot Program) beginning August 20, 2025 and ending August 5, 2026, implementing INA section 221(g)(3). Under the Visa Bond Pilot Program, consular officers will require a Maintenance of Status and Departure Bond (Visa Bond) to be posted via *www.Pay.Gov* and accepted by the Department of State, and with the Department of the Treasury accepting all monies to be deposited in a Treasury-held Department of Homeland Security account for the Department of Homeland Security, as a condition of visa issuance, for certain visa applicants.

(2) *Visa Bond Pilot Program parameters.* Under the Visa Bond Pilot Program, consular officers will require Visa Bonds to be posted by visa applicants who are applying for visas as temporary visitors for business or pleasure (B–1/B–2) and are nationals of a country that the Department identifies as:

(i) Having high visa overstay rates;

(ii) Deficient in its vetting and screening and vetting information; or

(iii) Offering Citizenship by Investment, if the alien obtained citizenship with no residency requirement. Countries deemed to meet these criteria will be identified on the Department's website at *www.travel.state.gov* no less than 15 days prior to the initiation of the pilot program, and countries may be modified on a rolling basis.

(3) *Bond amount and visa validity.* Consular officers will set the Visa Bond amount at $5,000, $10,000, or $15,000, based on a consular officer's assessment of which amount is sufficient to ensure the alien will maintain the status under which he or she was admitted or any status subsequently acquired under section 248 of the INA and will not remain in the United States beyond the end of the alien's authorized period of stay. Visas issued under the Visa Bond Pilot Program will be valid for a single entry to the United States within three months of the date of visa issuance.

(4) *Bond waiver authority.* The Deputy Assistant Secretary for Visa Services may waive the bond requirement, for an alien, country, or a category of aliens, if the Deputy Assistant Secretary assesses that such a waiver is not contrary to the national interest. A waiver of the bond requirement may be recommended to the Deputy Assistant Secretary for Visa Services by a consular officer where the consular officer has reason to believe the waiver would advance a national interest or humanitarian interest. There will be no procedure for visa applicants to apply for a waiver of the bond requirement. Consular officers will determine whether a waiver would advance a significant national interest or humanitarian interest based on the applicant's purpose of travel and employment, as described in the visa application and during the visa interview.

(5) *Bond procedures.* A Visa Bond required under this paragraph (c) must be submitted via Treasury's *www.Pay.Gov* interface within 30 days of notification of the bond requirement by the consular officer and will be approved by the Department of State. Upon the posting of such bond, State will receive automatic notification that the bond has been posted in a Treasury-held Department of Homeland Security account and will notify the appropriate consular section overseas.

(i) Under this Visa Bond Pilot Program, Visa Bonds will be administered by the Department of the Treasury, the Department of State, and the Department of Homeland Security in accordance with regulations, procedures, and instructions promulgated by DHS applicable to Form I–352, *Immigration Bond.*

(ii) A Visa Bond will be canceled when a visa holder substantially performs with respect to the terms and conditions of the Visa Bond as set forth in Form I–352. Conversely, a Visa Bond will be breached when there has been a substantial violation of the terms and conditions set forth in Form I–352. To demonstrate that they complied with the bond requirements, aliens may, for example, depart the United States through pre-selected ports of entry, or schedule an appointment at a consular section outside the United States within 30 days of his or her departure from the United States and, after establishing his or her identity through personal appearance and presentation of a passport, provide information to a consular officer confirming he or she departed the United States on or before the expiration of their authorized period of stay.

(*1*) Upon doing so, visa holders will have substantially performed the bond requirements, provided the visa holder complied with the conditions of his or her status during his or her period of authorized stay in the United States.

(*2*) Aliens who do not appear at a consular section still may ensure cancellation of the bond if he or she substantially complies with the terms and conditions of the Visa Bond as set forth in Form I–352.

(*3*) Aliens who timely file an application for extension of status which is granted are not deemed to be in breach of bond, and the bond will be canceled at the conclusion of his or her authorized period of stay.

(6) *Appeal of bond breach determination.* A determination of a bond breach may be appealed in accordance with instructions provided by DHS.

(7) *Effect on other law.* Nothing in this paragraph (c) shall be construed as altering or affecting any other authority, process, or regulation provided by or established under any other provision of Federal law.

John L. Armstrong,

Senior Bureau Official, Bureau of Consular Affairs, U.S. Department of State.

[FR Doc. 2025–14826 Filed 8–4–25; 8:45 am]

BILLING CODE 4710–05–P

DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

30 CFR Part 585

[Docket ID: BOEM–2025–0036]

RIN 1010–AE35

Rescission of Renewable Energy Leasing Schedule

AGENCY: Bureau of Ocean Energy Management, Interior.

ACTION: Direct final rule.

SUMMARY: The Department of the Interior (the Department or DOI), acting through the Bureau of Ocean Energy Management (BOEM), is amending the Department's regulations to rescind a section that provides for publishing a renewable energy leasing schedule every 2 years. This section is not necessary because it is not mandated by the statute for renewable energy regulations.

DATES: This direct final rule is effective on September 4, 2025 without further action, unless significant adverse comment is received by August 20, 2025 If adverse comment is received, BOEM will publish a timely withdrawal of the rule in the **Federal Register**.

ADDRESSES: BOEM has established a docket for this action under Docket ID

No. BOEM–2025–0036. All documents in the docket are listed on the website at *http://www.regulations.gov* and can be found by entering the Docket ID in the ''Enter Keyword or ID'' search box and clicking ''search''.

FOR FURTHER INFORMATION CONTACT: Jennifer Jones, Office of Regulatory Affairs, BOEM, 1849 C Street NW, Washington, DC 20240, at email address *jennifer.jones@boem.gov,* or at telephone number (202) 571–8664.

SUPPLEMENTARY INFORMATION:

Background information. This direct final rule revises the Department's regulations, which are administered by BOEM, that contain a provision specifying that at least every 2 years, the Secretary of the Interior (Secretary) will publish a 5-year schedule of anticipated lease sales in section 585.150 of title 30 of the Code of Federal Regulations. Upon reviewing this regulation, the Department has determined that it should be rescinded because this schedule of anticipated lease sales is not mandated by the authorizing statute, the Outer Continental Shelf Lands Act (OCSLA), and unnecessarily limits the Secretary's discretion over scheduling renewable lease sales. Moreover, on January 20, 2025, President Trump invoked section 12(a) of OCSLA (43 U.S.C. 1341(a)) to temporarily but indefinitely withdraw unleased areas on the OCS from wind leasing, and, because that withdrawal prevents future renewable energy leasing while it is in effect, it serves no purpose for the Department to publish a schedule of sales every 2 years. The Department has determined that these reasons justify rescission of 30 CFR 585.150. The Department has no interest in maintaining a rule that is unnecessary.

The Department has determined that this rule is not controversial and is administrative in nature and is therefore issuing this action as a direct final rule. Rescinding § 585.150 does not prevent BOEM from publishing a schedule of renewable lease sales if the Secretary determines that such a schedule is warranted, and, indeed, BOEM had done so in the past before § 585.150 was promulgated. Moreover, publication of a renewable lease sale schedule does not mandate that BOEM ultimately hold any particular lease sale. This rescission will be effective September 4, 2025 unless significant adverse comments are received by August 20, 2025. For purposes of this section, an adverse comment is one which explains why the rule would be inappropriate, including a challenge to the rule's underlying premise or approach, or why the rule would be ineffective or unacceptable without changes. Comments that are insubstantial or opinion only will not be considered adverse under this procedure. A comment recommending a rule change in addition to the rule will not be considered an adverse comment, unless there is a statement of why the rule would be unacceptable without the additional change.

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

I. General Information
- A. Purpose of This Regulatory Action and Summary
- B. Does this action apply to me?
- C. Where can I get a copy of this document and other related information?

II. Background
- A. Statutory and Regulatory Authority

III. Statutory and Executive Order Reviews
- A. Executive Order (E.O.) 12866: Regulatory Planning and Review, as Amended by Executive Order 13563: Improving Regulation and Regulatory Review
- B. Regulatory Flexibility Act (RFA)
- C. Small Business Regulatory Enforcement Fairness Act (SBREFA)
- D. Unfunded Mandates Reform Act (UMRA)
- E. Executive Order 12630: Governmental Actions and Interference With Constitutionally Protected Property Rights
- F. Executive Order 13132: Federalism
- G. Executive Order 12988: Civil Justice Reform
- H. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments
- I. Paperwork Reduction Act (PRA)
- J. National Environmental Policy Act (NEPA)
- K. Data Quality Act
- L. Executive Order 13211: Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use
- M. Congressional Review Act (CRA)

I. General Information

A. Purpose of This Regulatory Action and Summary

30 CFR 585.150 directs a schedule for publication of projected renewable energy lease sales. A projected schedule of lease sales is not mandated by the authorizing statute, the OCSLA. The Department does not wish to maintain unnecessary rules, and this section will be removed. This final action removes 30 CFR 585.150.

B. Does this action apply to me?

30 CFR 585.150 does not regulate the public. This is an administrative change only and its removal does not affect any legal rights, obligations, or interests of any affected party.

C. Where can I get a copy of this document and other related information?

In addition to being available in the docket, BOEM will post an electronic copy of this direct final rule at: *https://www.boem.gov/about-boem/regulations-guidance/published-rules.*

II. Background

A. Statutory and Regulatory Authority

Section 5 of OCSLA (43 U.S.C. 1334) authorizes the Secretary to issue regulations to administer leasing on the Outer Continental Shelf (OCS). Section 5(a) of OCSLA (43 U.S.C. 1334(a)) authorizes the Secretary to ''prescribe such rules and regulations as may be necessary to carry out [provisions of OCSLA]'' related to leasing on the OCS. Also, subsection 8(p)(8) of OCSLA (43 U.S.C. 1337(p)(8)) authorizes the Secretary to ''issue any necessary regulations to carry out this subsection.'' This rule only makes administrative changes to remove a section from part 585 of title 30 that does not regulate the public.

III. Statutory and Executive Order Reviews

A. Executive Order (E.O.) 12866: Regulatory Planning and Review, as Amended by Executive Order 13563: Improving Regulation and Regulatory Review

E.O. 12866 gives OMB the authority to review regulatory actions that are categorized as ''significant''; *i.e.,* those actions that are likely to result in a rule that may:

- Have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy; a sector of the economy; productivity; competition; jobs; the environment; public health or safety; or state, local or tribal governments or communities;
- Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;
- Materially alter the budgetary impacts of entitlements, grants, user fees or loan programs or the rights and obligations of recipients thereof; or
- Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in the Executive Order.

E.O. 12866 provides that the Office of Information and Regulatory Affairs (OIRA) in the Office of Management and Budget (OMB) will review all significant

rules. OIRA has determined that this action is not a significant regulatory action, and therefore, it was not submitted to OMB for review.

E.O. 13563 reaffirms the principles of E.O. 12866 while calling for improvements in the Nation's regulatory system to promote predictability and reduce uncertainty, and to use the best, most innovative, and least burdensome tools for achieving regulatory ends. E.O. 13563 directs agencies to consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public where these approaches are relevant, feasible, and consistent with regulatory objectives. BOEM has developed this rule in a manner consistent with these requirements.

B. Regulatory Flexibility Act (RFA)

The RFA, 5 U.S.C. 601–612, requires agencies to prepare a regulatory flexibility analysis for any rule subject to notice and comment rulemaking requirements under the Administrative Procedure Act (APA) unless the rule will not have a significant economic impact on a substantial number of small entities. The RFA generally requires agencies to analyze the economic impact of regulations when there is likely to be a significant economic impact on a substantial number of small entities and to consider regulatory alternatives that will achieve the agency's goals while minimizing the burden on small entities. This action will not have a significant economic impact on small entities under the RFA because it does not impose any requirements on small entities. The rescission of section 585.150 does not regulate the public.

C. Small Business Regulatory Enforcement Fairness Act (SBREFA)

The SBREFA, 5 U.S.C. 804(2), requires BOEM to perform a regulatory flexibility analysis, provide guidance, and help small businesses comply with statutes and regulations for major rulemakings. This action is not subject to the SBREFA because it: (1) does not have an annual effect on the economy of $100 million or more; (2) will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; and (3) does not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises.

BOEM anticipates the final rule would have neither significant employment nor small business impacts; nor cause major price increases for consumers, businesses, or governments; nor significantly degrade competition, employment, investment, productivity, innovation, or the ability of U.S. businesses to compete against foreign businesses. The rule only rescinds a section that does not regulate the public.

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 to the Regional Small Business Regulatory Fairness Board. 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 BOEM, call 1–888–REG–FAIR (1–888–734–3247).

D. Unfunded Mandates Reform Act (UMRA)

The UMRA, 2 U.S.C. 1531–1538, requires Federal agencies, unless otherwise prohibited by law, to assess the effects of regulatory actions on state, local and Tribal governments, and the private sector. Section 202 of UMRA generally requires Federal agencies to prepare a written statement, including a cost-benefit analysis, for each proposed and final rule with ''Federal mandates'' that may result in expenditures by state, local, and Tribal governments, in the aggregate, or to the private sector of $100 million or more in any one year. BOEM has determined this action does not contain any unfunded mandate as described in UMRA 2, U.S.C. 1531–1538, and does not significantly or uniquely affect small groups.

The action imposes no enforceable duty on any State, local, or Tribal governments or the private sector.

E. Executive Order 12630: Governmental Actions and Interference With Constitutionally Protected Property Rights

E.O. 12630 ensures that government actions affecting the use of private property are undertaken on a well-reasoned basis with due regard for the potential financial impacts imposed on the government. This action does not effect a taking of private property or otherwise have taking implications under E.O. 12630. A takings implication assessment is not required.

F. Executive Order 13132: Federalism

E.O. 13132 (64 FR 43255, August 4, 1999) revoked and replaced E.O.s 12612 (Federalism) and 12875 (Enhancing the Intergovernmental Partnership). E.O. 13132 took effect on November 2, 1999, and thus applies to actions published on or after November 2, 1999. Sections 3 and 6 of E.O. 13132 apply to policies with federalism implications, defined in the Executive Order as including actions that 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.''

Regulatory actions that 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 are subject to E.O. 13132. Under the criteria in section 1 of E.O. 13132, this rule does not have sufficient federalism implications to warrant the preparation of a federalism summary impact statement. 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 12988: Civil Justice Reform

E.O. 12988 requires that rules:

(1) Meet the criteria of section 3(a) requiring that all regulations be reviewed to eliminate errors and ambiguity and be written to minimize litigation; and

(2) Meet the criteria of section 3(b)(2) requiring that all regulations be written in clear language and contain clear legal standards.

This rule complies with the requirements of E.O. 12988.

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

The Department and BOEM strive to strengthen their government-to-government relationships with Indian Tribes through a commitment to consultation with Indian Tribes and recognition of the Tribes' right to self-governance and Tribal sovereignty. BOEM evaluated this rule under the Department's consultation policy, Departmental Manual part 512, chapters 4 and 5, and E.O. 13175. BOEM determined that this rule has no substantial direct effects on federally recognized Indian Tribes or Alaska Native Claims Settlement Act Corporations and that consultation under existing Department and BOEM policies is not required.

I. Paperwork Reduction Act (PRA)

This rule does not contain information collection requirements, and a submission to the OMB under the PRA (44 U.S.C. 3501 *et seq.*) is not required. 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.

J. National Environmental Policy Act (NEPA)

This rule does not constitute a major Federal action significantly affecting the quality of the human environment. A detailed environmental analysis under NEPA is not required because the final rule is covered by a categorical exclusion (see 43 CFR 46.205). This final rule meets the criteria set forth at 43 CFR 46.210(i) for a Departmental categorical exclusion in that this final rule is ''of an administrative, financial, legal, technical, or procedural nature.'' BOEM has also determined that the final rule does not involve any of the extraordinary circumstances listed in 43 CFR 46.215 that would require further analysis under NEPA.

K. Data Quality Act

In promulgating this rule, BOEM did not conduct or use a study, experiment, or survey requiring peer review under the Data Quality Act (Pub. L. 106–554, app. C, sec. 515, 114 Stat. 2763, 2763A–153–154). In accordance with the Data Quality Act, the Department has issued guidance regarding the quality of information that it relies upon for regulatory decisions. This guidance is available at the Department's website at: *https://www.doi.gov/ocio/policy-mgmt-support/information-and-records-management/iq.*

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

E.O. 13211 was issued on May 22, 2001, and requires Federal agencies to prepare a ''Statement of Energy Effects'' when undertaking certain regulatory actions. A Statement of Energy Effects describes the adverse effects of a ''significant energy action'' on energy supply, distribution and use; reasonable alternatives to the action; and the expected effects of the alternatives on energy supply, distribution and use.

Under E.O. 13211, BOEM is required to prepare and submit to OMB a ''Statement of Energy Effects'' for ''significant energy actions.'' This should include a detailed statement of any adverse effects on energy supply, distribution, or use (including a shortfall in supply, price increases, and increased use of foreign supplies) expected to result from the action and a discussion of reasonable alternatives and their effects. This action is not subject to E.O. 13211, because it is not a significant regulatory action under E.O. 12866.

M. Congressional Review Act (CRA)

The CRA, 5 U.S.C. 801–808, established a mechanism to expedite congressional review of agency rules. The CRA generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. It is important to note that the CRA applies only to final rules; it does not apply to proposed rules. BOEM generally submits a report containing the rule and other required information to the U.S. Senate, the U.S. House of Representatives and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. A ''major rule'' cannot take effect until 60 days after it is published in the **Federal Register** or is submitted to Congress, whichever is later.

This rule is exempt from the CRA because it is a rule of department organization, procedure or practice that does not substantially affect the rights or obligations of non-agency parties (5 U.S.C. 804(3)).

List of Subjects in 30 CFR Part 585

Administrative practice and procedure, Continental shelf, Energy, Marine resources, Natural resources, Renewable energy, Reporting and recordkeeping requirements, Rights-of-way.

This action by the Assistant Secretary is taken pursuant to an existing delegation of authority.

Adam G. Suess,

Acting Assistant Secretary, Land and Minerals Management.

For the reasons stated in the preamble, the Department of the Interior amends 30 CFR part 585.150 as follows:

PART 585—RENEWABLE ENERGY ON THE OUTER CONTINENTAL SHELF

■ 1. The authority citation for part 585 continues to read as follows:

Authority: 43 U.S.C. 1337.

Subpart B—[Removed and reserved]

■ 2. Remove and reserve subpart B.

[FR Doc. 2025–14805 Filed 8–4–25; 8:45 am]

BILLING CODE 4340–98–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R07–OAR–2024–0313; FRL–12096–02–R7]

Air Plan Approval; IA; Regional Haze State Implementation Plan for the Second Implementation Period

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is taking final action to approve the Regional Haze State Implementation Plan (SIP) for the State of Iowa as satisfying applicable requirements under the Clean Air Act (CAA) and EPA's Regional Haze Rule (RHR) for the program's second implementation period. Iowa's SIP submission addresses 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. The SIP submission also addresses other applicable requirements for the second implementation period of the regional haze program. The EPA is taking this action pursuant to the CAA.

DATES: This final rule is effective on September 4, 2025.

ADDRESSES: The EPA has established a docket for this action under Docket ID No. EPA–R07–OAR–2024–0313. All documents in the docket are listed on the *https://www.regulations.gov* website. Although listed in the index, some information is not publicly available, *i.e.,* Confidential Business Information (CBI) 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 through *https://www.regulations.gov* or please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section for additional information.

FOR FURTHER INFORMATION CONTACT: Bethany Olson, U.S. Environmental Protection Agency, Region 7 Office, Air Permitting and Planning Branch, 11201 Renner Boulevard, Lenexa, Kansas 66219; telephone number: (913) 551–7905; email address: *olson.bethany@epa.gov.*

SUPPLEMENTARY INFORMATION: Throughout this document ''we,'' ''us,'' and ''our'' refer to EPA.

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II. Background
III. EPA's Response to Comments
IV. What action is EPA taking?
V. Incorporation by Reference
VI. Statutory and Executive Order Reviews

I. What is being addressed in this document?

The EPA is approving Iowa's Regional Haze plan for the second planning period and adding three Iowa source-specific permits into the Iowa SIP submitted on August 15, 2023. The Iowa Department of Natural Resources (IDNR) submitted the plan to satisfy the regional haze program requirements pursuant to CAA sections 169A and 169B and 40 Code of Federal Regulations (CFR) 51.308. As required by section 169A of the CAA, the federal RHR calls for state and federal agencies to work together to improve visibility in 156 national parks and wilderness areas. The rule requires the states, in coordination with the EPA, the National Parks Service (NPS), the U.S. Fish and Wildlife Service (FWS), the U.S. Forest Service (USFS), and other interested parties, to develop and implement air quality protection plans to reduce the pollution that causes visibility impairment. Visibility impairing pollutants include fine and coarse particulate matter (PM) (*e.g.,* sulfates, nitrates, organic carbon, elemental carbon, and soil dust) and their precursors (*e.g.,* sulfur dioxide (SO_2), nitrogen oxides (NO_X), and, in some cases, volatile organic compounds (VOC) and ammonia (NH_3)). As discussed in further detail in our Notice of Proposed Rulemaking (NPRM) the EPA finds that Iowa has submitted a Regional Haze plan that meets the Regional Haze requirements for the second planning period. The State's submission and NPRM can be found in the docket for this action.

II. Background

On August 15, 2023, IDNR submitted a revision to the Iowa SIP to address its regional haze obligations for the second implementation period, which runs through 2028. The long-term strategy for Iowa's Regional Haze plan includes emission limits contained in three air construction permits issued to three sources owned by MidAmerican Energy Company (MidAmerican) and submitted by Iowa for incorporation into the SIP in 40 CFR 52.820(d) *EPA approved state source-specific requirements.* Louisa Generating Station (LGS) permit #05–A–031–P6 contains a SO_2 emission limit of 800 lb/hr based on a 30-day rolling average for the main boiler. Walter Scott Jr. Energy Center unit 3 (WSEC–3) permit #75–A–357–P9 contains a SO_2 emission limit of 770 lb/hr based on a 30-day rolling average. Walter Scott Jr. Energy Center unit 4 (WSEC–4) permit #03–A–425–P4 contains a SO_2 emission limit of 0.1 lb/MMBtu and a NO_X emission limit of 0.07 lb/MMBtu. The state's SIP submission requested that the EPA not act on Condition 11 of the permits for LGS and WSEC–3 nor Condition 6 of the permit for WSEC–4, and accordingly those conditions are not included in this action. The full permits are included in appendix E of the state submission in the docket for this action.

The State's submission met the public notice requirements in accordance with 40 CFR 51.102. The submission also satisfied the completeness criteria of 40 CFR part 51, appendix V. Iowa made its 2023 Regional Haze SIP submission available for public comment from February 13, 2023, through March 16, 2023. IDNR received and responded to public comments and included the comments and responses to those comments in its submission.

On August 2, 2024 (89 FR 63258), the EPA published the NPRM proposing approval of Iowa's SIP submission as satisfying the regional haze requirements for the second planning period contained in the CAA and 40 CFR 51.308. The EPA is now determining that the Iowa Regional Haze SIP submission for the second RHR planning period meets the applicable statutory and regulatory requirements in CAA section 169A and 40 CFR 51.308 and is thus approving Iowa's submission into its SIP.

III. EPA's Response to Comments

The public comment period on the EPA's proposed rule opened August 2, 2024, the date of its publication in the **Federal Register** and closed on September 3, 2024. During this period, the EPA received four sets of comments. One set of comments originated from a group of six conservation organizations: the Sierra Club, National Parks Conservation Association, Coalition to Protect America's National Parks, Interfaith Power and Light, Environmental Law and Policy Center, and Iowa Environmental Council (collectively referred to as ''the Conservation Groups'' throughout this document). A second set of 88 nearly identical comment letters were submitted from Iowa Sierra Club members (collectively referred to as ''Sierra Club members'' throughout this document). The remaining two sets of comments were submitted from individual organizations. All the public comments are available in the docket for this final action via Docket ID Number EPA–R07–OAR–2024–0313 on the *https://www.regulations.gov* website.

We determined that one comment was not germane to our action, for the following reasons. One commenter expressed opposition to the cultivation of cannabis, asserting general air pollution concerns. The commenter did not provide any tangible connection to the regional haze requirements or the Iowa submission. The EPA acknowledges the commenter's concerns; however, the comment is outside the scope of this action and does not indicate that the EPA's approval of the SIP submission is inconsistent with the CAA. Oversight of cannabis farms is unrelated to this regional haze action.

In the rest of this section, the EPA has summarized and provided responses to the adverse comments received on the NPRM. EPA has also considered the comments received in support of the NPRM. Having done so, the EPA is finalizing its approval of the Iowa SIP submission for the RHR second planning period.

Comment 1: Iowa Sierra Club Members comment that Iowa is not taking adequate steps to control air pollution from the LGS, WSEC–3, WSEC–4, George Neal North (GNN), and George Neal South (GNS) coal plants. The comments state that under the RHR, IDNR must require cost-effective controls at these plants for both SO_2 and NO_X. The commenters request that the EPA reject Iowa's SIP and promptly issue a strong Federal Implementation Plan (FIP) that will curb haze-causing pollution at its source. The commenters conclude that haze-causing pollutants cause health impacts.

Response 1: The EPA disagrees that Iowa has not taken adequate steps to limit haze-causing pollution and that Iowa's second planning period SIP submission must include additional SO_2 and NO_X controls at LGS, WSEC–3, WSEC–4, GNN, and GNS. The CAA and the RHR require states to evaluate and determine the emission reduction measures that are necessary to make reasonable progress towards natural visibility conditions in Class I areas by

considering the four statutory factors.[1] As long as these determinations are reasonable, states have substantial discretion in making them, and the EPA will not insist on a particular combination of analyses and control measures as a condition of approval. The RHR requires each State to ''submit a long-term strategy (LTS) that addresses regional haze visibility impairment for each mandatory Class I Federal area within the State and for each mandatory Class I Federal area located outside the State that may be affected by emissions from the State. The LTS must include enforceable emissions limitations, compliance schedules, and other measures that are necessary to make reasonable progress.'' [2] As detailed in the NPRM and the State submission, Iowa selected two electric generating units (EGUs) with the largest SO_2 and NO_X emissions for four-factor analysis: LGS and WSEC–3. As a result of the four-factor analysis conducted for LGS and WSEC–3, Iowa required MidAmerican to optimize the operation of existing scrubber controls and required compliance with new regional haze SO_2 limits by December 31, 2023. The EPA finds that Iowa has satisfied the requirement that states determine the emission reduction measures that are necessary to make reasonable progress by considering the four factors, and the EPA also finds that the operational improvements required by Iowa at LGS and WSEC–3 meet the LTS requirements for the second planning period.

In addition, the EPA has reviewed power sector emissions data collected by EPA's Clean Air Markets Program Division (CAMPD) under 40 CFR part 75. This data is publicly available through the CAMPD Database.[3] Following the 2023 compliance deadline, the 2024 annual SO_2 emissions decreased at LGS and WSEC–3 by a combined total of 11,169 tons, as compared to the 2017–2019 average used as a baseline in Iowa's 2023 SIP.

The commenter correctly notes that haze-causing pollutants cause health impacts. However, as stated in Iowa's submission at section 12.1. *Response to Public Comments:* (1) The purpose of the RHR is to restore natural visibility conditions in Class I areas and not to evaluate health impacts from criteria pollutants in areas outside Class I areas. Implementation of the National Ambient Air Quality Standards (NAAQS) is provided for in section 110 of the CAA; and (2) the EPA and IDNR have stated that the regulatory requirements at 40 CFR 51.308 do not apply to the NAAQS and do not provide for the requirement that states consider ancillary benefits. To further substantiate this position, as IDNR notes, all ambient air quality monitors in Iowa are currently measuring attainment with the NAAQS. As discussed in the NPRM and in this notice of final rulemaking, the EPA evaluated Iowa's SIP submission against the statutory and regulatory regional haze requirements and determined that it satisfies the requirements. Thus, the EPA is finalizing its approval of the Iowa SIP submission and has no obligation to promulgate a FIP.

Comment 2: The Conservation Groups comment that Iowa's cost analyses for MidAmerican's LGS and WSEC–3 include costs and cost assumptions that are inconsistent with EPA's Control Cost Manual. The commenters argue that the EPA must disapprove IDNR's unreasonable use of a firm-specific interest rate until IDNR and MidAmerican present sufficient documentation on the underlying assumptions and costs of the firm-specific interest rate. The Conservation Groups state that because ''IDNR fails to provide any documentation supporting MidAmerican's inclusion of AFUDC costs, its weighted cost of capital, or its use of a firm-specific interest rate,'' the EPA must disapprove the SIP submission for failure to provide proper documentation for its cost analysis and issue a FIP using an interest rate that is supported by the record at the time of the final decision.

Response 2: The EPA disagrees with the Conservation Groups' assertions that the 7.862 percent firm-specific interest rate is unreasonable, and that MidAmerican did not provide sufficient justification. IDNR used the tools provided and recommended by the EPA for calculating control cost estimates at LGS and WSEC–3. In accordance with EPA's Air Pollution Control Cost Manual (Control Cost Manual),[4] IDNR requested that MidAmerican provide additional justification to support the use of a firm-specific interest rate, and that information is included in appendix D–3 of the state submission. Furthermore, at the time of the state public comment period, the prime lending rate was 7.75 percent. In section 12.1. *Response to Public Comments,* IDNR states, ''differences in costs calculations between those based on a 7.75 percent bank prime rate versus those using the justified firm-specific interest rate of 7.862 percent are inconsequential.'' Finally, we note that the bank prime lending rate since the SIP submission by IDNR has been as high as 8.50 percent. The EPA does not agree that IDNR's use of a 7.862 percent interest rate is unreasonable and warrants issuance of a FIP because Iowa's cost analyses satisfied the requirements of 40 CFR 51.308(f)(2).

Comment 3: The Conservation Groups' comment that Iowa's cost-effective analyses failed to justify the truncated 20-year useful life of SO_2 and NO_X control options at LGS and WSEC–3 and that such a justification is required by the RHR. The comment asserts that unjustifiably shorter useful life assumptions skew the cost analysis, making post-combustion controls seem less cost effective. The commenters conclude that because of IDNR's failure to provide a reasonable explanation for the remaining useful life, the EPA must disapprove the SIP submission and issue a FIP that assumes the typical 30-year useful life for the control equipment.

Response 3: The EPA disagrees that Iowa's cost analyses are inconsistent with the Control Cost Manual or the RHR. For NO_X controls, Iowa's cost analysis for selective catalytic reduction (SCR) used 30 years for the equipment life, consistent with the Control Cost Manual and the commenter's assertion that 30 years is the appropriate equipment life. Iowa's cost analysis for selective non-catalytic reduction (SNCR) used 20 years for equipment life, consistent with the Control Cost Manual.

For SO_2 controls, Iowa concurred with the MidAmerican cost analyses' useful life estimates. The MidAmerican cost analyses used a 20-year useful life to evaluate operational improvements to the existing dry flue gas desulfurization (FGD) systems and new wet FGD systems. The Control Cost Manual specifies that EPA has generally used equipment life estimates of 20 to 30 years for analyses using acid gas scrubbers, although these estimates are recognized to be low for many installations.[5] Though EPA generally recommends a 30-year equipment life for acid gas scrubbers, Iowa's use of a 20-year useful life in its 2023 SIP is not inconsistent with the Control Cost Manual. While we acknowledge that changing the useful life variable to 30 years in these analyses may result in a

[1] CAA section 169(g)(1).

[2] 40 CFR 51.308(f)(2).

[3] *https://campd.epa.gov/data.*

[4] EPA's ''Air Pollution Control Cost Manual'' is available at: *https://www.epa.gov/economic-and-cost-analysis-air-pollution-regulations/cost-reports-and-guidance-air-pollution.*

[5] *See* EPA Control Cost Manual, section 5, Chapter 1 (Wet and Dry Scrubbers for Acid Gas Control), at 1–8.

higher cost-effectiveness of both wet and dry FGD systems, as demonstrated in the Conservation Groups' submitted analysis, we do not agree that assuming a useful life of 30 years would impact the final control decision, due to the very high capital costs of installing new wet FGD systems at LGS and WSEC–3 as compared to improved operation of the existing dry FGD systems, which would incur no equipment related capital costs. Furthermore, Iowa's useful life assumptions did not prevent Iowa from requiring new control measures for those sources. Iowa's 2023 Regional Haze SIP includes cost-effective control measures that require MidAmerican to optimize the operation of existing dry scrubber controls at LGS and WSEC–3, which will reduce actual SO_2 emissions by a combined total of approximately 9,700 tons per year compared to the 2017–2019 emissions baseline. Iowa concluded that these improvements were necessary to make reasonable progress towards natural visibility conditions in linked Class I areas. As discussed in the NPRM and in this notice of final rulemaking, the EPA has evaluated Iowa's SIP submission against the applicable statutory and regulatory regional haze requirements. We find the submission satisfies the regional haze requirements of 40 CFR 51.308(f)(2)(i) regarding both the sources selected for evaluation and the emission reduction measures necessary to make reasonable progress during the second implementation period.

Comment 4: The Conservation Groups' comment that Iowa's cost analysis failed to evaluate the highest SO_2 removal efficiency that could be achieved with upgrades to existing dry FGD systems and new wet FGD systems at LGS and WSEC–3. The commenters conclude that the EPA must disapprove Iowa's SO_2 four-factor analysis for LGS and WSEC–3 and promulgate a FIP requiring dry FGD system upgrades to achieve at least 95% control, with a floor of 0.05 lb/MMBtu, and include an evaluation of and requirements for a wet FGD retrofit to achieve an annual average SO_2 rate of 0.03 lb/MMBtu at LGS and at WSEC–3. The Commenters' specific comments on this topic are addressed in Comments 4.a through 4.c below.

Comment 4.a: The commenters state that ''data shows that several coal-fired power plant units with wet scrubbers achieve SO_2 rates lower than 0.04 lb/MMBtu on an annual basis,'' and the analysis must evaluate the wet FGD retrofit to achieve an annual average SO_2 rate of 0.03 lb/MMBtu at LGS and WSEC–3. The commenters state that ''the EPA has long indicated that states must evaluate controls at their most efficient levels.''

Response 4.a: The EPA disagrees with the Conservation Groups' assertion that the EPA must promulgate a FIP requiring wet FGD retrofit to achieve an annual average SO_2 rate of 0.03 lb/MMBtu at LGS and WSEC–3. The EPA notes that the quote in the comment summary stating ''the EPA has long indicated that states must evaluate controls at their most efficient levels'' is a direct quote from the Conservation Groups' comment letter. The commenters cite to 70 FR 39166 (July 6, 2005) to support the quoted language. The cited **Federal Register** document is titled Regional Haze Regulations and Guidelines for Best Available Retrofit Technology (BART) Determinations. The published final rule makes changes to the 1999 iteration of the RHR after it was challenged in the D.C. Circuit, including ''requir[ing] the States to consider the degree of visibility improvement resulting from a source's installation and operation of retrofit technology, along with the other statutory factors set out in CAA section 169A(g)(2), when making a BART determination.'' [6] Notably, this rulemaking pertained to 40 CFR 51.308(e), which contains the BART guidelines and requirements for the first implementation plans due under the regional haze program. Therefore, this 2005 preamble is not a useful resource for interpreting non-BART related requirements for the second planning period set forth in 40 CFR 51.308(f).

Furthermore, the cited page of the **Federal Register** document does not support the Conservation Groups' contention. This page covers step 3 of the BART analysis: evaluation of technically feasible alternatives. In answering the question ''how do I evaluate control techniques with a wide range of emission performance levels,'' the preamble states ''[i]t is not [the EPA's] intent to require analysis of each possible level of efficiency for a control technique as such an analysis would result in a large number of options. It is important, however, that in analyzing the technology you take into account the most stringent emission control level that the technology is capable of achieving.'' [7] This section further advises ''[w]hile you must consider the most stringent level as one of the control options, you may consider less stringent levels of control as additional options. This would be useful, particularly, in cases where the selection of additional options would have widely varying costs and other impacts.'' [8]

The BART determinations required by 40 CFR 51.308(e) during the regional haze program's first planning period are distinct from the reasonable progress determinations required during the second planning period under 40 CFR 51.308(f). The first planning period source-specific BART analysis required states to examine the ''best available'' system of compliance for eligible sources, while there is no such requirement for the second planning period under the reasonable progress regulations at 40 CFR 51.308(f). Therefore, as the Conservation Groups' argument that Iowa failed to evaluate the highest SO_2 efficiency that could be achieved with a wet FGD system is based upon the first planning period requirements for BART controls, the EPA does not find it to be compelling.

Comment 4.b: For dry FGD systems, the comment asserts MidAmerican evaluated improvements that would achieve an SO_2 rate of 0.10 lb/MMBtu, which reflects only a 78 percent control efficiency. The commenters state that Iowa must evaluate FGD upgrades to meet a 90 percent reduction level or an annual average emission rate of 0.05 lb/MMBtu at both LGS and WSEC–3 and must also impose an SO_2 emission limit of 0.06 lb/MMBtu on a 30-day rolling average basis at both units. The Conservation Groups argue that the Control Cost Manual indicates that in multiple locations, SDA systems are capable of meeting 95 percent control efficiency while treating coal with sulfur content up to three percent. The commenters point to the EPA's December 28, 2011, first planning period Oklahoma FIP (76 FR 81728), stating that the EPA indicated that underperforming SDA scrubbers should be evaluated at 95 percent control and a floor of a 0.06 lb/MMBtu emission rate.

Response 4.b: The EPA disagrees with the assertion that Iowa must evaluate dry FGD system upgrades to achieve at least 90 percent control efficiency or impose an SO_2 emission limit of 0.06 lb/MMBtu. The commenters point to the Oklahoma FIP, which was promulgated under the first planning period, and the specific citation from the comment letter, which is referring to that planning period's BART guidelines.[9] As outlined above in Response 4.a, the requirements for the second planning period differ from the first planning period. As the Conservation Groups' argument that Iowa failed to evaluate

[6] 70 FR 39104, 39106 (July 6, 2005).

[7] *Id.* at 39166.

[8] *Id.*

[9] 76 FR 81,728,81,742 (Dec. 28, 2011).

improvements to the dry FGD systems at LGS and WSEC–3 is again based on first planning period requirements for BART controls rather than second planning period requirements set forth at 40 CFR 51.308(f), the EPA does not find it to be compelling.

Comment 4.c: Finally, the comment argues that IDNR's cost-effectiveness values for new wet FGD systems at LGS and WSEC–3 were unreasonable in that they failed to evaluate the top level SO_2 removal efficiency that is achievable. The comment asserts that once the analysis is corrected, the controls should be even more cost-effective.

Response 4.c: Iowa's control cost analysis evaluated new wet FGD systems at LGS and WSEC–3 to achieve an emission limit of 0.06 lb/MMBtu and found the costs to be over $6,000/ton at LGS and $8,000/ton at WSEC–3. However, consistent with 40 CFR 51.308(f)(2)(i), IDNR also considered the other factors (*i.e.,* the time necessary for compliance, the energy and nonair quality environmental impacts of compliance, and the remaining useful life of any potentially affected anthropogenic source of visibility impairment). As detailed in the NPRM and the State submission, the new wet FGD systems required a longer time necessary for compliance and presented additional energy and nonair quality environmental impacts when compared to the improved operation of the existing dry FGD systems. We acknowledge that evaluating the control at a lower emission rate may result in a slightly higher cost-effectiveness of the wet FGD system, as shown in the Conversation Groups' submitted analysis. However, the EPA does not agree that evaluating the wet FGD control systems at a rate of 0.03 lb/MMBtu, compared to 0.06 lb/MMBtu, as used by IDNR, would significantly impact the control decisions made through the State's complete four-factor analysis, due to consideration of the other factors and inarguably higher cost effectiveness of improved operation of the existing dry FGD systems. We therefore find that Iowa's analysis was reasonable and resulted in an LTS that achieves reasonable progress for the second planning period. Iowa has satisfied the requirements of 40 CFR 51.308(f), and the EPA approves Iowa's SIP submission.

Comment 5: The Conservation Groups comment that it appears that the dry FGD system at LGS is equipped with a scrubber bypass, and the EPA must evaluate the elimination of the bypass during the four-factor analysis when promulgating a FIP. The Conservation Groups assert that IDNR improperly skewed the analysis to make it appear that the facility is achieving a greater emission reduction than it actually is and effectively ignores cost-effective pollution reductions.

Response 5: We disagree with this comment. The EPA was unable to find any data to support this assertion. The Environmental Groups referenced the attached report, *Utility FGD Design Trends,* which is available in the docket for this action, that cited data collected by the U.S. Energy Information Administration (EIA) for 2008 (EIA–860 data Schedules 6–G & 6–H).[10] However, as IDNR stated in section 12.1 *Response to Public Comments,* EIA–860 data does not support this assertion. The EIA data for 2023 and previous years shows LGS is not equipped with FGD bypass.[11] Furthermore, IDNR stated in section 12.1, ''the emission limits apply at all times, thus the presence or absence of FGD bypass is irrelevant.''

Comment 6: The Conservation Groups assert that a new wet FGD system should also be considered a cost-effective option at WSEC–3 and LGS. The commenters' analysis asserts a cost-effectiveness of $4,907/ton at WSEC–3, which the comment argues is below IDNR's threshold and within the range of the EPA's determinations in the first planning period, and $6,968/ton at LGS, which is below the cost effectiveness thresholds used by Colorado, Nevada, and New Mexico. Furthermore, the comment argues that ''IDNR was wrong to suggest that there is inherent flexibility on costs, as Congress clearly set requirements for national consistency throughout the country in implementing the Act's programs.''

Response 6: The EPA acknowledges that the cost effectiveness of a new wet FGD system at WSEC–3 and LGS may be within the range of costs of controls implemented by other states in their LTS. However, the EPA disagrees that specific controls must be required for Iowa's SIP to meet the second planning period's criteria. The RHR does not require a specific cost effectiveness threshold to be applied when states consider new control measures. Rather, cost effectiveness is one of four factors to be considered holistically. In this case, IDNR identified technically feasible control options and reasonably evaluated the cost effectiveness of controls for both sources. Whether the cost effectiveness of a new wet FGD system is $6,160/ton at WSEC–3 and $8,920/ton at LGS, as asserted by the MidAmerican analysis, or $4,907/ton at WSEC–3 and $6,968/ton at LGS, as estimated by the Conservation Groups, the EPA does not see a compelling basis to dispute IDNR's final control determination. In comparison, MidAmerican estimated the cost of the improved operation of existing dry FGD systems to be less than $300/ton at each facility.

Iowa concluded that the optimization of existing dry scrubbers at LGS and WSEC–3 was necessary to make reasonable progress towards natural visibility conditions in linked Class I areas and required MidAmerican to implement these control measures in its 2023 Regional Haze SIP. The EPA evaluated Iowa's SIP submission against the applicable statutory and regulatory regional haze requirements and finds the submission satisfies the regional haze requirements of 40 CFR 51.308(f)(2)(i).

Comment 7: The Conservation Groups comment that Iowa's control cost analysis understated the NO_X removal efficiency of SCR and SNCR systems at LGS and WSEC–3 and thus requires correction. The commenters state that MidAmerican evaluated SCR to achieve a NO_X rate of 0.05 lb/MMBtu, reflecting 73 percent control across the SCR system at LGS and 77.6 percent across the SCR system for WSEC–3. The Conservation Groups argue that SCR systems are designed to achieve 90 percent or greater NO_X control efficiency, resulting in annual average NO_X emission rates with SCR, along with existing low NO_X burners and overfire air, as low as 0.04 lb/MMBtu or even lower. The commenters state that MidAmerican also assumed that SNCR at LGS and WSEC–3 would achieve a NO_X removal efficiency of 15 percent. The commenters argue that its analysis determined that SNCR at LGS should have an achievable NO_X removal efficiency of 20.9 percent and an annual NO_X emission rate of 0.15lb/MMBtu, and SCNR control at WSEC–3 should have an achievable NO_X removal efficiency of 21.7 percent and an annual NO_X emission rate of 0.17 lb/MMBtu. The Conservation Groups assert that the EPA must promulgate a FIP that evaluates NO_X control options at these removal efficiencies.

Response 7: The EPA disagrees with the commenters' assertion that we must promulgate a FIP evaluating NO_X controls that achieve the specified emission rates. As discussed in the response to Comment 4.a, there is no requirement for the state to evaluate control equipment at a specified removal efficiency under the second planning period regulations at 40 CFR

[10] *See* Weilert, Carl and Emily Meyer, Burns & McDonnell, Utility FGD Design Trends.

[11] *See https://www.eia.gov/electricity/data/eia860/.*

51.308(f). While it is important to consider the most stringent emission control level that the technology is capable of achieving, less stringent levels of control may be considered as well, such as in the case where the control options have varying costs and impacts.

As detailed in the 2023 SIP submission and appendix D–2 of the State submission, IDNR conducted its own assessments of NO_X controls in which different scenarios were evaluated. In section 12.1 *Response to Public Comments,* Iowa asserted that the cost-effectiveness values for SNCR and SCR presented in the Conservation Groups' analysis are not significantly different than those estimated by the IDNR and, therefore, do not impact Iowa's control decision that neither SNCR nor SCR are reasonable at this time. Iowa further stated, ''The DNR finds that the SNCR and SCR cost-effectiveness values for LGS and WSEC–3 are unreasonable in comparison to the SO_2 control costs and that SO_2 emission reductions from Iowa's EGUs provide greater visibility protections than NO_X reductions.'' [12]

The EPA does not agree that evaluating NO_X controls at increased removal efficiencies would impact the State's control decisions. We find that Iowa's analysis was reasonable and that it resulted in a LTS that achieves reasonable progress for the second planning period.

Comment 8: The Conservation Groups comment that MidAmerican's cost-effectiveness analyses show that both SNCR and SCR must be considered cost-effective controls for LGS and WSEC–3, as their implementation costs are within the range of the cost effectiveness thresholds used by Colorado, Nevada, Minnesota, New Mexico, Arizona, and Washington. The comment further asserts that IDNR failed to meaningfully respond to public comments and the FLM's comments regarding cost effectiveness values and the thresholds established by these other states. The commenters conclude that it was unreasonable for Iowa to ignore these comments from the public and FLMs, and the EPA must promulgate a FIP in which the cost effectiveness of SNCR at LGS and of SCR at WSEC–3 are considered to be reasonable.

Response 8: The EPA acknowledges that the cost effectiveness of SCR and SNCR at WSEC–3 and LGS may be within the range of costs of controls implemented by other states in their LTS. However, as explained in Response 6, the EPA disagrees that specific controls must be required for reasonable progress. The EPA also disagrees with the commenters' assertion that Iowa did not adequately respond to comments.

The EPA reviews each submission against the applicable requirements of the CAA and RHR. The RHR does not provide a specific cost-effectiveness or emission threshold which States must meet when considering installation or upgrade of emission controls under the four statutory factors. Thresholds used by some states in a reasonable exercise of the discretion afforded by the CAA and RHR do not bind other states, nor do they preclude the EPA from finding other cost effectiveness thresholds (or the decision to forgo using a hard threshold) are reasonable.

Additionally, the commenters impart a requirement into the regulations that does not exist by asserting a State must ''meaningfully'' address the comments received. The commenters incorrectly argue that for a State to adequately respond to public comments, the State must amend the SIP to align with the comments. This is incorrect. But it is also irrelevant here. The EPA's role in this process is to review whether SIP submissions meet minimum federal law standards for approvability. As set forth in 40 CFR 51.102, ''States must provide notice, provide the opportunity to submit written comments and allow the public the opportunity to request a public hearing.'' As detailed below in Response 24, IDNR provided public notice, provided the opportunity for the public to submit written comments and held a public hearing on the SIP revision. It received comments and responded to those comments. Therefore, Iowa satisfied the requirements of 40 CFR 51.102.

Finally, the EPA disagrees with the commenters' argument regarding IDNR's response to the FLM's comments during the State and FLM Coordination. The requirements for this Coordination are set forth in 40 CFR 51.308(i). The only requirement regarding comments by FLMs states that Iowa ''must include a description of how it addressed any comments provided by the [FLMs]'' in developing its plan revision.[13] In the NPRM, the EPA discussed the informal and formal consultations IDNR conducted with FLMs. Furthermore, the EPA stated ''Iowa responded to the FLM comments and included the responses in section 11.5 of its submission to EPA and their public notice, in accordance with the requirements in CAA section 169A(d) and § 51.308(i)(3).'' [14] The commenters did not provide any citation to the CAA or the RHR to support its assertion that a State is required to ''incorporate into the SIP the concerns of the agencies responsible for managing the Class I resources impacted by pollution from the state.'' The EPA disagrees with the commenters about what is required during the State and FLM consultations and reiterates its conclusion that Iowa has satisfied the requirements for consultation as laid out in the CAA and the RHR.

Comment 9: The Conservation Groups comment that the EPA must disapprove Iowa's four-factor analysis because IDNR did not evaluate potential improvements or optimization to existing control equipment at WSEC–4. The Conservation Groups assert the EPA cannot approve IDNR's analysis of emission reductions at WSEC–4 because there are readily available, cost-effective measures that could be carried out at the unit to achieve additional SO_2 reductions, including optimizing the efficiency of the dry FGD scrubber to achieve an annual emission rate of 0.05 lb/MMBtu. Similarly, the commenters argue that IDNR's failure to evaluate potential upgrades to the SCR system at WSEC–4 was arbitrary because the Conservation Groups' analysis demonstrated the ability for the unit to meet a NO_X emission limit of 0.04 lbs/MMBtu for months at a time. The Conservation Groups conclude that the EPA must promulgate a FIP that evaluates cost-effective improvements to the SCR system and requires WSEC–4 to meet an annual SO_2 emission rate of 0.05 lb/MMBtu.

Response 9: The EPA disagrees with the Conservation Groups' comment that a four-factor analysis is required for WSEC–4. Iowa's reliance on already-effective controls in lieu of four-factor analyses for WSEC–4 is not inconsistent with the CAA legislative history or EPA's interpretation and implementation of the CAA's regional haze requirements.

The EPA stated in the NPRM that Congress determined that ''a visibility protection program is needed in addition to the [Clean Air Act]'s National Ambient Air Quality Standards [NAAQS] and Prevention of Significant Deterioration programs, as further emission reductions may be necessary to adequately protect visibility in Class I areas throughout the country.'' [15] This statement does not say that Congress determined that every State must analyze the four factors for all sources, or for sources that are already well

[12] *See* Iowa's August 15, 2023, submission, at 70.

[13] 40 CFR 51.308(i)(3).

[14] 89 FR 63258, 63276 (Aug. 2, 2024).

[15] 89 FR 63258, 63260 (citing H.R. Rep No. 95–294 at 205).

controlled. Further, the EPA specified that further emissions reductions ''may be'' necessary, which recognizes that additional reductions will not always be necessary, depending on the effectiveness of other existing programs. The preamble to the 2017 RHR states, ''. . . we expect states to exercise reasoned judgment when choosing which sources, groups of sources or source categories to analyze.'' [16]

The EPA disagrees that ''IDNR arbitrarily concludes that no further control analysis is necessary due to WSEC Unit 4's twenty-year-old BACT determination,'' as the commenters argue. Instead, Iowa evaluated current control measures at WSEC–4, including applicable facility permits and actual emission rates, against current information in the EPA's RACT/BACT/LAER Clearinghouse and demonstrated that the high level of control already required makes it reasonable to conclude that a full four-factor analysis would likely result in the conclusion that no further controls are necessary. The State provided a description of this analysis in section 5.3.1 of the submittal.[17] We find that Iowa's analysis was reasonable.

Comment 10: The Conservation Groups assert that Iowa's consideration of visibility benefits was unreasonable. The commenters assert that neither the CAA nor the RHR lists visibility improvement as a fifth factor in the four-factor analysis and that the EPA has made clear that, for the second planning period, ''a state should not use visibility to summarily dismiss cost-effective potential controls.'' Here, they assert that Iowa wrongly rejected nearly all cost-effective controls based on visibility as an additional factor. The Conservation Groups also state there are multiple flaws with IDNR's visibility analysis. They therefore contend that the EPA's approval of IDNR's visibility benefits analysis is unreasonable, arbitrary, and capricious, and that the EPA must expressly disapprove IDNR's consideration of visibility impacts. The Commenters' specific comments on this topic are addressed in Comments 10.a and 10.b below.

Comment 10.a: The Commenters argue that IDNR provides no regulatory or statutory basis for applying a multi-step approach that compared relative sulfate impacts to relative nitrate impacts, resulting in the selection of controls for SO_2 emissions. The Commenters state that IDNR's approach to visibility does not comport with the examples of visibility considerations previously provided by EPA. Further, commenters note, IDNR considered visibility impacts on the most impaired days, rather than the maximum daily visibility impact on all days. The comment argues that IDNR did not explain how its visibility analysis complies with the RHR and the requirement to select sources based upon a four-factor analysis.

Response 10.a: The EPA disagrees that Iowa's visibility benefits analysis in the August 2023 SIP was inconsistent with the CAA or the RHR. The EPA interprets the CAA and the RHR to allow a State reasonable discretion to consider the anticipated visibility benefits of an emission control measure, along with the other factors, when determining whether the measure is necessary to make reasonable progress. The CAA is silent as to whether States or the EPA may consider additional factors in addition to the four statutory factors.[18] In our Response to Comments on the 2017 RHR, the EPA noted that the RHR ''neither requires nor prohibits states from considering visibility when making reasonable progress determinations. . . . However, a state that elects to consider an additional factor such as visibility benefit must consider it in a reasonable way that does not undermine or nullify the role of the four statutory factors in determining what controls are necessary to make reasonable progress.'' [19]

Iowa performed its visibility analysis by apportioning the State's total modeled anthropogenic visibility impairment to LGS and WSEC on the 20% most impaired days at the linked Class I areas.[20] In doing so, the State made several conservative assumptions that resulted in greater estimated sulfate and nitrate impacts from these two sources.[21] For instance, the State's maximum sulfate and nitrate impacts on all linked Class I areas were selected as the basis for the analysis. In addition, the LGS and WSEC sources were assumed to emit the entirety of Iowa's EGU emissions when calculating the factors for allocating total anthropogenic visibility impairment to these two sources.[22]

Based on this analysis, Iowa estimates that sulfate impacts to visibility in the linked Class I areas are 4.4 times greater than nitrate impacts for both LGS and WSEC.[23] Iowa used this result to inform its selection of cost-effective SO_2 controls over the NO_X control options that were identified using the four statutory factors for LGS and WSEC. Contrary to the Commenters' assertion that Iowa ''ignored'' NO_X controls because they were more expensive than SO_2 controls, Iowa's application of data and modeling showing that SO_2 and not NO_X is the dominant visibility impairing pollutant, and that information led Iowa to select SO_2 control measures at LGS and WSEC–3. The EPA finds that Iowa's visibility analysis is reasonable and consistent with the CAA.

Comment 10.b: The comment argues IDNR unreasonably relied on LADCO's 2028 CAMx PSAT modeling results in selecting only five Class I areas for its visibility benefit analysis when the State was aware there were additional Class I areas of concern documented by the NPS.

Response 10.b: The Commenters did not provide a technical basis to support the claim that it was unreasonable for IDNR to rely on LADCO's 2028 CAMx PSAT modeling results for its visibility benefit analysis. IDNR utilized LADCO's 2028 PSAT results to identify linked Class I areas in other States, which is documented in section 2 of the State submission and summarized in the NPRM. IDNR then used the 2028 PSAT results to complete its visibility benefits analysis of the five Class I areas linked to Iowa, as explained in section 5.8 of the State submission and the NPRM. The EPA finds this approach to be reasonable and consistent with the CAA and RHR.

Comment 11: The Conservation Groups comment that the EPA must revise its notice and find that Iowa ''unlawfully and unreasonably relied on the URP [Uniform Rate of Progress]—a non-statutory factor—to reject controls at LGS and WSEC–3.'' The comment argues that the EPA failed to evaluate IDNR's URP assertions in the NPRM. Furthermore, the Conservation Groups assert that the EPA's review of those assertions is inconsistent with its review of other actions, namely the EPA's proposed disapproval of the Missouri SIP on the ground that the ''State used

[16] 82 FR 3078, 3088 (Jan. 10, 2017).

[17] *See* Iowa August 15, 2023, submission at 32–33.

[18] See 42 U.S.C. 7491(g)(1).

[19] Protection of Visibility: Amendments to Requirements for State Plans 82 FR 3078 (Jan. 10, 2017); Response to Comments on Protection of Visibility: Amendments to Requirements for State Plans; Proposed Rule at 186. The EPA has approved or proposed approval for the following SIP submissions in which States considered visibility in a reasonable way: Air Plan Approval; OR; Regional Haze Plan for the Second Implementation Period, 89 FR 81361 (Oct. 8, 2024); Air Plan Approval; Minnesota; Second Period Regional Haze Plan, 89 FR 56827 (July 11, 2024); and Air Plan Approval; Ohio; Regional Haze Plan for the Second Implementation Period, 89 FR 71124 (Aug. 30, 2024).

[20] *See* Iowa August 15, 2023, submission at 15.

[21] *Id.*

[22] *See* 89 FR 63258, 63270–71 (Aug. 2, 2024).

[23] *See* Iowa August 15, 2023, submission at 15.

the URP argument to avoid controls.'' The Conservation Groups argue that projected visibility improvements at Class I areas impacted by Iowa's sources and the fact that those areas are below their respective URPs are not valid bases for the EPA to approve Iowa's decision to forgo additional controls at LGS and WSEC–3.

Response 11: The EPA disagrees that Iowa relied on the URP to reject controls at LGS and WSEC–3. In evaluating Iowa's control measure determinations, the EPA finds Iowa met all the requirements of 40 CFR 51.308(f)(2) and that Iowa did not rely on the fact that the Class I areas impacted by Iowa sources are below their respective URP glidepaths. Iowa's 2023 SIP states the 2028 projections for the Class I areas using LADCO's 2016 modeling platform are intended to satisfy the requirement at 40 CFR 51.308(f)(2)(iv)(E) that the State must consider the anticipated net effect on visibility due to projected changes in point, area, and mobile source emissions over the period addressed by the LTS.[24]

Additionally, the LADCO modeling data provided by IDNR supported the conclusion that the linked Class I areas are all below their respective glidepaths and, therefore, Iowa was not required to conduct the ''robust demonstration'' detailed under 40 CFR 51.308(f)(3)(ii)(B). However, IDNR did not rely on that fact to avoid controls; rather the State plan required additional control measures at two facilities to further reduce SO_2 emissions and improve visibility in linked Class I areas. The EPA finds that the URP glidepath information provided by IDNR in the SIP submission meets the requirements of the CAA and RHR.

The EPA acknowledges that it recently finalized a change in policy regarding the role of the URP in the agency's review of second planning period regional haze SIPs. However, that policy change is not outcome-determinative in this action. The EPA reviewed Iowa's regional haze SIP submission under its prior review policy and proposed to approve it based on application of that policy. The agency is finalizing that proposed approval in this action. We note that Iowa's regional haze SIP for the second planning period is approvable under both the prior and recently announced policies regarding the role of the URP.

Comment 12: The Conservation Groups comment that the EPA must disapprove IDNR's SIP Submission because the permits for LGS and WSEC–3 contain SO_2 limits in units of lb/hour. The commenters state that the EPA must promulgate a FIP that requires emission limits in the permits to be in units of lb/MMBtu. The comment states that, ''by imposing a lb/hr SO_2 limit rather than a lb/MMBtu limit, the emission limits fail to require the same level of control over all levels of operation and do not achieve the emissions rate IDNR said they are intended to achieve.'' The commenters also state the NO_X and SO_2 emission limits for WSEC–4 are based on lb/MMBtu, and the EPA must act consistently across a SIP, so the emission limits must be set consistently in terms of lb/MMBtu.

Response 12: The EPA disagrees that the emission limits established for regional haze must be in units of lb/MMBtu. Neither the CAA nor RHR prescribes the form that an emission limit must take.

As explained in the SIP submission and the NPRM, WSEC–4 went through BACT review under the Prevention of Significant Deterioration (PSD) program for SO_2 and NO_X in 2003.[25] The requirements for determining BACT under the PSD program are not the same as the requirements for determining reasonable progress under the regional haze program. Iowa determined that WSEC–4 was already equipped with all feasible control options for SO_2 and NO_X and included its rationale in the State submission. Iowa incorporated the existing emission limits into the SIP for the purpose of preventing future visibility impairment as a part of its LTS. The fact that the existing BACT emission limits for WSEC–4 are in units of lb/MMBtu does not preclude the State from establishing other emission limits under the regional haze program.

The emission limits are clearly stated in the permits included in appendix E of the State submission. The regional haze limit established for SO_2 in Permit Condition 1c. for LGS is 800 lb/hr, on a 30-day rolling average, and includes a footnote stating the limit is based on 65.6 percent reduction of SO_2 emissions from the baseline years of 2017 to 2019. The regional haze limit established for SO_2 in Permit Condition 1c. for WSEC–3 is 770 lb/hr, on 30-day rolling average, and includes a footnote stating that limit based on 72 percent reduction of SO_2 emissions from the baseline years of 2017 to 2019. The percent reductions in the submitted permits correspond to the levels of control MidAmerican assumed in its four-factor analysis and reflect the emissions reductions in Iowa's LTS for reasonable progress.

The permits for LGS and WSEC–3 required compliance with the regional haze SO_2 limits by December 31, 2023. As described above in Response 1, the actual SO_2 emissions for LGS and WSEC–3 for 2024 are available as reported to the CAMPD database.[26] The actual annual SO_2 emissions at LGS in 2024 is 1,179 tons, which is an 80.2 percent reduction of SO_2 emissions from the baseline years used in Iowa's 2023 SIP (2017–2019 average). The actual annual SO_2 emissions at WSEC–3 for 2024 is 1,644 tons, which is a 79.6 percent reduction of SO_2 emissions from baseline years. These emission reductions resulted in a combined total decrease of 11,169 tons in actual SO_2 emissions in 2024 compared to the baseline years and exceeded the emission reductions estimated by MidAmerican in the four-factor analysis. Therefore, we disagree with commenters' assertion that the emission limits do not achieve the emission rate that IDNR said they are intended to achieve.

We also note that the commenters did not raise any specific reason to suggest that the use of a lb/hr limit is inappropriate. Instead, they simply assert that a lb/hr limit does not require the same level of control over all levels of operation and state that the EPA must act consistently across the SIP by requiring all emission limits to be set in unit of lb/MMBtu. The EPA disagrees. While there are regulatory programs where emission limits are typically in the form of lb/MMBtu, such as a BACT analysis under the PSD program, that is not a requirement under the RHR, and a variety of units may be reasonable depending on the circumstances of their use.

Under the specific circumstances present here, the EPA finds that the emission limits Iowa established for regional haze are appropriate and meet the requirements of the CAA and RHR.

Comment 13: The Conservation Groups comment that Permit Condition R in the permits for LGS and WSEC–3 ''exempts the facilities from meeting the minimum additive injection during periods of boiler start-up'' and that this condition allows for uncontrolled excess emissions during startup events. The comment quotes the EPA's proposed partial approval and partial disapproval of Utah's regional haze SIP submission to assert that the minimum additive injection rates have ''no defined parameters for the excess emissions that will occur during periods of startup, making the limitation less than continuous.'' The commenters

[24] *See* Iowa August 15, 2023, submission at 48.

[25] Iowa's August 15, 2023, submission at 29; 89 FR 63258, 63273 (Aug. 2, 2024).

[26] *https://campd.epa.gov/data.*

argue ''the permit exemptions mean that emissions exceeding the normal operational limits under periods of startup would not be considered to violate the emission limitations.'' The commenters conclude that the EPA must disapprove the emission limitations because of the startup exemption provisions.

Response 13: The EPA disagrees with the Conservation Groups' assertion that the emission limits for WSEC–3 and LGS are not continuous, or that Permit Condition 5.R. allows the facilities to exceed the emission limits during startup. The permits for LGS and WSEC–3 contain numerical emission limits that apply at all times, including periods of startup, shutdown, and malfunction (SSM). Permit Condition 1c., footnote 2 in both permits states that the ''. . . [l]imit is applicable at all times including periods of Boiler startup, shutdown, and malfunction.'' We recognize that Permit Condition 5.R. exempts the Permittee from maintaining the minimum additive injection rate during startup. However, despite the fact that the minimum additive injection rate is not required to be maintained during startup, the facility is still required to comply with the numerical SO_2 lb/hr regional haze emission limitation during all periods of operation, including startup.

SIPs can contain ''other control measures, means, or techniques'' per CAA 110(a)(2)(A), and such other measures, means, or techniques do not need to meet the CAA's definition of an ''emission limitation,'' including the requirement that it apply on a continuous basis.[27] In this case, the permits required that MidAmerican develop minimum additive injection rates ''to maintain high SO_2 control efficiencies at all operating loads.'' [28] However, the State's LTS is based on the numerical emission limits that apply at all times. The minimum additive injection rates provide a function that is separate from and supplemental to the numerical permit emission limits.

The permit at issue in the Utah SIP Submission is not analogous to the LGS and WSEC–3 permits because the Utah permit included ''an automatic exemption for SSM events that occur when Intermountain power plant is operating prior to its closure.'' [29] The permit also contained a provision providing that the emission limitations apply at all times except for periods of SSM or emergency conditions.[30]

Permit Condition 5.R. is not an emission limitation, and the EPA disagrees that our partial disapproval of Utah's SIP is relevant to the evaluation of Permit Condition 5.R. Accordingly, the EPA is approving the emissions limitations and other control measures in Iowa's SIP submission.

Comment 14: The Conservation Groups comment that the EPA's assertion that the permits submitted by Iowa serve as the enforceable mechanism is unclear, because Iowa's intent regarding which permit provisions it wanted incorporated into the SIP was unclear. The comment states that the EPA's proposal indicates it intends to include the entire permits in the SIP, with the exception of Condition 11, but IDNR's SIP is unclear as to whether it sought to include Permit Condition 6 regarding Continuous Emissions Monitoring Systems (CEMS) in the SIP.

The commenters argue that if Permit Condition 6.C. is included as part of the SIP, that provision does not serve as the enforceable mechanism for CEMS because it fails to include requirements that the monitors accurately measure the pollutants and stack gas volumetric flow rate for each unit. The comment states that Permit Condition 6.C. ''allows for use of methods that are not [included in] 40 CFR part 75, which EPA has generally required in the regional haze program.'' The comment asserts IDNR's approach allows for just two data points for each 1-hour average, allows for data substitution, and does not require use of a diluent. The comment further states Condition 6.C.(3)(iii) provides that ''[i]f the monitor data availability is less than 90.0%, the owner or operator shall obtain actual emission data by an alternate testing or monitoring method approved by the Department.'' The commenters argue that the EPA is without authority to approve the provision that allows for alternative testing into the SIP.

Response 14: The EPA disagrees that Iowa's intent regarding the permits to be incorporated into the SIP is unclear or that the permit conditions are not enforceable. The transmittal letter included with Iowa's 2023 SIP submission states, ''The air construction permits are provided in appendix E for adoption into the SIP, with the exceptions of Condition 11 in permit numbers 05–A–031–P6 and 75–A–357–P9 and Condition 6 in permit 03–A–425–P4.'' Furthermore, as the commenter noted, the EPA's NPRM proposed to incorporate the entire permits into the SIP with the exceptions of permit Condition 11 for LGS and WSEC–3 and permit Condition 6 for WSEC–4.[31]

Permit Condition 6 in the submitted permits for LGS (permit no. 05–A–031–P6) and WSEC–3 (permit no. 75–A–357–P9) are clearly intended to be incorporated into the SIP and contains the requirements for the SO_2 CEMS. Additionally, the SO_2 limit contained in Permit Condition 1c. Regional Haze Limit has a footnote stating that ''Compliance with the limit is based on continuous emissions monitoring as specified in Permit Condition 6.'' Permit Condition 6.A. requires SO_2 CEMS to meet EPA standards at 40 CFR part 60, appendix B Performance Specifications 2 and 6 and 40 CFR part 60, appendix F. Permit Condition 6.B. requires CEMS for SO_2, and either O_2 or CO_2 to be operated and the data recorded during all periods of operation. Permit Condition 6.C. includes data requirements.

The commenters' assertion that the permit provision 6.C does not serve as the enforceable mechanism for CEMS is unclear. The permits as a whole are enforceable and serve as the enforceable mechanism for the SO_2 emission limits for regional haze. As stated in permit conditions 4.C. for LGS and WSEC–3, both units are subject to continuous emission monitoring requirements at 40 CFR part 75 under the federal Acid Rain program. The emissions data collected through CEMs are electronically submitted to the EPA CAMPD and made publicly available online.[32]

As described in the SIP submittal and the NPRM, appendix E also includes the current permit for WSEC–4 (permit no. 03–A–425–P4) to incorporate its existing SO_2 and NO_X BACT emission limits into Iowa's SIP.[33] The emission limits are contained in Condition 10.A., and there is a footnote stating compliance with the emission limits shall be demonstrated through the use of CEMS. Conditions 12 and 16 contain the CEMS requirements for that permit. Condition 13 states the unit is subject to monitoring requirements under the Acid Rain program.

The EPA notes that the quote in the comment summary stating that permit Condition 6.C. ''allows for use of methods that are not [included in] 40 CFR part 75, which EPA has generally required in the regional haze program'' is a direct quote from the Conservation

[27] *Environ. Comm. Fl. Elec. Power* v. *EPA,* 94 F.4th 77, 99 (D.C. Cir. 2024).

[28] Iowa's August 15, 2023, submission at 40.

[29] 89 FR 67208, 67249 (Aug. 19, 2024).

[30] *Id.*

[31] 89 FR 63258, 63272 (August 2, 2024).

[32] *https://campd.epa.gov/data.*

[33] 89 FR 63258, 63272 (August 2, 2024).

Groups' comment letter. That assertion is inaccurate. There is no requirement at 40 CFR 51.308(f) for second planning period regional haze SIPs to comply with 40 CFR part 75. As explained in response 4.a above, the requirements for the second planning period differ from the first planning period. First planning period requirements at 40 CFR 51.308(e)(2) allow states an option to implement or require participation in an emissions trading program rather than requiring sources to implement BART. For first planning period SIPs that include an emissions trading program, there are requirements for monitoring, recordkeeping, and reporting provisions to comply with part 75. There are no such requirements for second planning period SIPs.

Iowa has broad discretion under 40 CFR 51.308(f) to determine appropriate compliance demonstration methodologies. For the hourly SO_2 emission limits, Iowa has proposed that the affected sources operate and maintain a CEMS. The EPA notes that, although it is not a requirement of the regional haze program, the CEMS requirements in the submitted permits adhere closely to the requirements in 40 CFR part 75.

The commenter referenced Permit Condition 6.C.(2) which allows the facility to calculate emissions based on two data points and that the permit does not require the use of a diluent. Regarding the use of two data points, the EPA notes that 40 CFR 75.10(d)(1) allows affected facilities to calculate emissions based on two data points. Permit Condition 6.A. requires O_2 or CO_2 to be monitored and Permit Condition 6.C.(2) requires CO_2 to be used in the calculation demonstrating compliance with the SO_2 emission limit. Permit condition 6.C.(3)(iii) is comparable with the standard missing data procedures for SO_2 at 40 CFR 75.33(b). Although Iowa's approach when monitoring data availability is less than 90 percent is not verbatim with Part 75, the EPA finds the State's approach is reasonable to ensure that the emissions are accurately calculated during such periods. Furthermore, Iowa SIP-approved regulations at 567 IAC 25.1 contain provisions on testing and sampling of new and existing equipment. As required by 567 IAC 25.1(9)c, ''. . . all stack sampling and associated analytical methods used to evaluate compliance with emission limitations of 567—Chapter 23 or required in a permit issued by the department pursuant to 567—Chapter 22 or 33 shall be conducted using the methodology referenced in this rule.''

The EPA did not observe any deficiencies related to the State's proposed compliance demonstration methodology for the hourly SO_2 emission limitations. Due to the requirements to monitor emissions at all periods of operation and the public availability of emissions data, the EPA finds that the submitted permits establish enforceable emission limits in the State's LTS.

Comment 15: The Conservation Groups comment that the permit provisions for additive injection monitoring devices are not enforceable because (1) the provisions fail to specify the type of equipment required, leaving it to the source's discretion; and (2) the provisions provide sources with discretion on whether to include recorders with the monitoring devices for the additive injection. The comment concludes that the EPA must promulgate a FIP that (1) requires sources to report the manufacturer's recommendations, instructions, and operating manuals, or the facility-specific operation and maintenance plan and the facility's compliance with the manufacturer's instructions and manuals, or the facility-specific operation plan; and (2) requires the permit to include the criteria for determining the averaging period for the minimum injection rate.

Response 15: The NPRM does not include discussion of the additive injection monitoring devices because, for regional haze purposes, the SO_2 limits in the permits satisfy the LTS requirement to include enforceable emissions limitations at 40 CFR 51.308(f)(2). The established additive injection rates are not the direct compliance demonstration methodology for the federally enforceable emission limits that MidAmerican must meet at LGS and WSEC–3. The SO_2 CEMS serve that purpose. Finally, Condition 12.B.(4) requires the owner or operator of any facility required to install a continuous monitoring system to provide quarterly reports to the state.

In the NPRM, the EPA found that Iowa had satisfied the requirements for the LTS in § 51.308(f)(2). Neither the additive injection rate nor the additive injection rate monitoring was necessary to make that determination, and there is no reason for the EPA to disapprove the permit conditions. The EPA finds the emission limits are enforceable and is therefore approving them in this action.

Comment 16: The Conservation Groups comment that Iowa's regional haze permit provisions in Condition 5 subsections P, Q, and R do not contain adequate reporting requirements. The commenters assert that there are no requirements for the facility to report the following: (1) CEMS monitoring data, (2) completion date of the Lime Spray Dryer enhancements, (3) records of enhancements, (4) information regarding the additive injection rate to the LGS Lime Spray Dryer, (5) information regarding the averaging period (if applicable), and (6) corrective actions taken regarding the additive injection rate. The comment concludes that the EPA must disapprove the regional haze emission limitations because they fail to contain reporting provisions necessary for enforcement and include those provisions in a FIP.

Response 16: The EPA disagrees that the regional haze emission limitations do not contain reporting necessary for enforcement and notes the Conservation Groups' assertion that the permit does not require reporting is inaccurate. Permit Condition 1c. of the permits incorporated into the SIP contain SO_2 emission limits of 800 lb/hr at LGS and 770 lb/hr at WSEC–3 for regional haze, as detailed in Iowa's LTS. As stated in Condition 1c., compliance with the SO_2 limits is based on CEMS data, as specified in Permit Condition 6. Permit Condition 6.B. requires the data to be recorded during all periods of operation including period of startup, shutdown, malfunction, or emergency conditions, except for CEMS breakdowns, repairs, calibration checks, and zero and span adjustments. Permit condition 12.B.(3) requires reports on the operation of the emission units or control equipment outside of the operating parameters specified in Permit Condition 5 in accordance with the schedule set forth in 567 IAC 24.1. Permit Condition 12.B.(4) requires quarterly CEMS reports, and 12.C. requires all data, records, reports, documentation, construction plans, and calculations to be maintained.

As stated above, and in Permit Condition 4.C., both facilities are subject to CEMS requirements at 40 CFR part 75 under the Acid Rain program. The emissions data collected through CEMs are electronically submitted to the EPA Clean Air Markets Program Data and made publicly available online. Furthermore, both facilities are required to maintain a Title V Operating Permit. The Title V Operating permit requires the permittee to submit semi-annual monitoring reports and annual compliance certifications.

The federally enforceable emission limits in Permit Condition 1c. are the basis of Iowa's LTS for regional haze. The operating requirements in Condition 5 subsections P, Q, and R do not impact the federally enforceable emission limits that MidAmerican must

meet at LGS and WSEC–3, which apply at all times. In the NPRM, the EPA found that Iowa had satisfied the requirements for the LTS in § 51.308(f)(2), including the requirement to establish enforceable emission limitations. The EPA finds the emission limits are enforceable and is therefore approving them in this action.

Comment 17: The Conservation Groups comment that the conditions of the permits fail to meet public notice and comment requirements because the minimum additive injection rate and averaging period for the minimum injection rate were determined through a required SO_2 emissions study after the permit was issued. The Conservation Groups argue that ''EPA cannot approve a SIP that allows a state to revise the SIP without public notice and comment and submitting the revisions to EPA for review and action.''

Response 17: The EPA disagrees with the Conservation Groups that the permit conditions fail to meet public notice and comment requirements. The EPA further disagrees that we are required to disapprove the SIP based upon these permit conditions. Permit Condition 5.Q. in the Regional Haze Requirements in the permit for LGS specifically states that ''[w]ithin 60 operating days after completion of the Lime Spray Dryer FGD (CE1B) enhancements, the owner or operator shall conduct an SO_2 emissions study to determine the minimum additive injection rate to achieve SO_2 reduction of 65.6 percent below the average of 2017–2019 baseline emissions. The minimum additive injection rate shall be determined during varying boiler operating loads.'' The argument put forth by the Conservation Groups regarding Permit Condition 5.Q. ignores Permit Condition 5.P., which states ''The owner or operator shall complete Lime Spray Dryer FGD (CE1B) enhancements to achieve the SO_2 emission limit specified in condition 1c. by December 31, 2023.'' Condition 1c. sets a regional haze limit for SO_2 of 800 lb/hr, and the footnote to the limit states it is ''based on 65.6 percent reduction of SO_2 emissions from the baseline years of 2017 to 2019.''

The provisions for WSEC–3 are identical, except Permit Condition 1c. sets the regional haze SO_2 limit at 770 lb/hr. In reading together Permit Conditions 1c., 5.P., and 5.Q., MidAmerican is required to meet the 800 lb/hr SO_2 limit at LGS, which is a 65.6 percent reduction of SO_2 emissions from the baseline years of 2017 to 2019, and the 770 lb/hr limit at WSEC–3, which is a 72 percent reduction of SO_2 emissions from the baseline years of 2017 to 2019.

Furthermore, Permit Condition 5.R. requires MidAmerican to ''maintain the Lime Spray Dryer FGD (CE1B) minimum additive injection rate at the rates determined during the SO_2 emissions study at the corresponding boiler loads.''

As stated in the NPRM, the construction permits were modified to implement the operational improvements at the units and establish permanent emission limits for Iowa's regional haze LTS.[34] 40 CFR 51.308(f)(2) requires each state to submit a LTS with its periodic revision of the SIP for regional haze. The LTS ''must include the enforceable emissions limitations, compliance schedules, and other measures that are necessary to make reasonable progress.'' [35] The permits for LGS and WSEC–3 establish federally enforceable SO_2 limits for these units and require compliance with the limit by December 31, 2023. The NPRM does not include discussion of the SO_2 emission studies or minimum additive injection rates because, for regional haze purposes, the SO_2 limits in the permits satisfy the LTS requirements in the RHR. In its SIP submittal, IDNR stated the purpose of the SO_2 emissions studies is to determine the minimum additive injection rate needed by the Lime Spray Dryer FGD to meet this limit and ''maintain high SO_2 control efficiencies at all operating loads.'' [36]

The permit conditions require IDNR to approve the study results, and, as quoted above, require MidAmerican to maintain the additive injection rate established by the study and approved by IDNR. All permit conditions are federally enforceable, as required by 40 CFR 51.308(f)(2). Thus, the study results do not alter the permit conditions or the federally enforceable emission limits for SO_2 but serve to enhance operation of the Lime Spray Dryer FGD.

The commenters cite to section 110(*l*) of the CAA to support the contention that the study results will result in revision of the SIP without required public participation. This provision of the CAA states ''[e]ach revision to an implementation plan submitted by a State under this chapter shall be adopted by such State after reasonable notice and public hearing.'' [37] IDNR provided reasonable notice and a public hearing on the proposed SIP revision and followed the requirements regarding public hearings for plan revisions set forth in 40 CFR 51.102.

The opportunity to comment on the permit conditions requiring SO_2 emissions studies to determine the minimum additive injection rate arose twice, during the public notice and comment period required for the construction permit under 567 IAC 33.3(17), and again during the public notice and comment period for IDNR's proposed SIP revision for the regional haze second planning period.

Iowa has not submitted a proposed SIP revision that seeks further revision of the SIP without notice and comment, and the EPA is therefore approving Iowa's SIP revision.

Comment 18: The comment states that the Lime Spray Dryer enhancements and the SO_2 emissions study results were due by December 31, 2023, but were not included in the docket for this action. The comment concludes that the EPA must disapprove the conditions in the LGS and WSEC–3 construction permits and issue a FIP containing all the elements necessary for practical enforceability.

Response 18: The EPA disagrees with the Conservation Groups' contention that the EPA must disapprove the SIP revision because IDNR did not update their submission to include the emission study results. As previously stated, the LTS must include enforceable emissions limitations, compliance schedules, and other measures that are necessary to make reasonable progress.[38] The SO_2 emission studies and the established additive injection rates do not impact the federally enforceable emissions limits that MidAmerican must meet at LGS and WSEC–3. In the NPRM, the EPA found that Iowa had satisfied the requirements for the LTS in § 51.308(f)(2). The emission study results were not necessary to make that determination, and there is no reason for the EPA to disapprove the permit conditions. Therefore, the EPA is approving the submitted source-specific permits into the Iowa SIP.

Comment 19: The Conservation Groups comment that Iowa did not provide a rationale to support the use of a 50 percent contribution threshold for source selection and that the State must evaluate control measures for GNN and GNS. The comment also states that the EPA did not provide justification to support why selecting the two largest sources was sufficient when other States have selected a higher number of sources. The commenters state IDNR's source selection methodology results in

[34] 89 FR 63258, 63272 (Aug. 2, 2024).

[35] 40 CFR 51.308(f)(2).

[36] Iowa's August 15, 2023, submission at 40.

[37] 42 U.S.C. 7410(l).

[38] 40 CFR 51.308(f)(2).

the selection of sources that contributed a lower EWRT*Q/d value at Class I areas than GNN and GNS, and they argue this is an unreasonable outcome. The Conservation Groups conclude that GNN and GNS have relatively high SO_2 emissions, and thus the EPA must find IDNR's source selection methodology to be arbitrary and evaluate FGD upgrades at GNN and GNS in a FIP.

Response 19: The EPA disagrees that IDNR's source selection methodology was arbitrary, and that the EPA therefore must promulgate a FIP requiring FGD upgrades at GNN and GNS. As explained in the NPRM, the RHR does not require States to consider evaluating controls for all sources, all source categories, or any or all sources in a particular source category. Rather, States have discretion to choose any source selection methodology or threshold that is reasonable, provided that the choices they make are reasonably explained.[39] To this end, the RHR requires that a State's SIP submission must include ''a description of the criteria it used to determine which sources or groups of sources it evaluated.'' [40] The technical basis for source selection, which may include methods for quantifying potential visibility impacts such as emissions divided by distance metrics, trajectory analyses, residence time analyses, and/or photochemical modeling, must also be appropriately documented, as required by 40 CFR 51.308(f)(2)(iii).

In this instance, the EPA proposed to find that the information and explanation included in Iowa's SIP submittal indicated that the State developed a methodology and examined a reasonable set of sources, including its two EGUs with the largest SO_2 and NO_X emissions, and this analysis resulted in emission reduction measures necessary to make reasonable progress for the second implementation period.[41] As such, Iowa satisfied its RHR obligations under 40 CFR 51.308(f)(2) through consideration and reasonable explanation of the methodology by which it selected and analyzed the particular sources that have the largest contribution to visibility impairment in Class I areas. In the NPRM, the EPA stated that the evaluation of these two sources had the potential to meaningfully reduce Iowa's contributions to visibility impairment in Class I areas. The EPA reviewed 2024 CAMPD data to substantiate the relative importance of emission reductions at LGS and WSEC–3 as compared to annual emissions from all EGUs in Iowa, the emission reductions at LGS and WSEC–3 contributed to a decrease in 2024 annual SO_2 emissions for all Iowa EGUs by 71 percent from baseline years.

As stated in the NPRM, the core component of a regional haze SIP submission is a LTS that addresses regional haze in each Class I area within a State's borders and each Class I area that may be affected by emissions from the State. The LTS must include the enforceable emissions limitations, compliance schedules, and other measures that are necessary to make reasonable progress, as determined pursuant to (f)(2)(i) through (iv). The amount of progress that is ''reasonable progress'' is based on consideration of the four statutory factors in CAA section 169A(g)(1) in an evaluation of potential control options for sources of visibility impairing pollutants, which is referred to as a ''four-factor'' analysis. The outcome of that analysis is the emission reduction measures that a particular source or group of sources needs to implement in order for the submitting state to make reasonable progress towards the national visibility goal.[42] Emission reduction measures must be represented by ''enforceable emissions limitations, compliance schedules, and other measures'' (*i.e.,* any additional compliance tools) in a State's LTS in its SIP.[43]

Therefore, the outcome of a State's source selection process and subsequent evaluation of technically feasible and cost-effective emissions controls by considering the four factors determines what constitutes the State's LTS for that particular implementation period. IDNR's source selection process and evaluation of technically feasible and cost-effective controls resulted in a LTS that includes the enforceable emissions limitations, compliance schedules and other measures that are necessary to make reasonable progress. Therefore, the EPA finds Iowa's source selection and consideration of the four statutory factors to be reasonable and compliant with the RHR requirements.

Comment 20: The Conservation Groups argue that the SO_2 and NO_X control systems at GNN and GNS are not achieving the levels of control the pollution control systems are designed to achieve. For dry FGD systems at GNN and GNS, the Groups assert an evaluation of controls for these units should presume dry FGD systems are capable of achieving at least 90 percent SO_2 removal. The commenters conducted a cost effectiveness analysis of dry FGD upgrades with the additional use of lime at GNN and GNS and concluded that these upgrades are cost effective and within the range of both cost thresholds other States have used and the costs that IDNR found reasonable for similar SO_2 pollution control upgrades at LGS and WSEC–3.

The commenters also argue that NO_X controls at GNN and GNS are operating below the standard efficiency rates for SNCR, and the facilities have not had a significant decrease in NO_X emission rates per MMBtu. The comments conclude that the EPA needs to promulgate a FIP that fully analyzes SO_2 and NO_X controls at GNN and GNS through a four-factor analysis.

Response 20: The EPA disagrees with the Conservation Groups' conclusion that it must promulgate a FIP and conduct a four-factor analysis to evaluate controls at GNS and GNN. The EPA has responded to the Conservation Groups' comment regarding source selection in Response 20. The Conservation Groups' comments regarding pollution controls at GNS and GNN facilities are beyond the scope of this rulemaking because this rulemaking relates solely to Iowa's regional haze SIP revision, and Iowa did not select those sources for four-factor analysis. Therefore, neither the State nor the EPA has evaluated the efficiency rates of controls at GNS or GNN as a part of this action. As explained above, the RHR does not require States to consider controls for all sources, all source categories, or any or all sources in a particular source category, and the EPA finds that Iowa has satisfied the requirements of 40 CFR 51.308(f)(2)(i) related to evaluating sources.

Comment 21: The Conservation Groups comment that the EPA must disapprove Iowa's SIP submission because IDNR failed to meet the CAA and RHR requirements for FLM consultation. The comment argues that IDNR failed to meaningfully consider or incorporate any of the FLM's suggestions into the SIP. Furthermore, because the Conservation Groups assert that the EPA must disapprove Iowa's source selection method and four-factor analysis, they further argue that the FLM consultation was based on a SIP revision that did not meet the required statutory and regulatory requirements of the CAA and RHR and therefore, must also be disapproved.

Response 21: The EPA disagrees that Iowa did not meet the requirements for FLM consultation in CAA 169A(d) and 40 CFR 51.308(i). As described above in Response 8, IDNR met all of the FLM

[39] 89 FR 63258, 63263 (August 2, 2024).

[40] 40 CFR 51.308(f)(2)(i).

[41] 89 FR 63258, 63270 (August 2, 2024).

[42] *See* 89 FR 63258, 63263 (August 2, 2024); 40 CFR 51.308(f)(2)(i).

[43] *See* 40 CFR 51.308(f)(2).

consultation statutory and regulatory requirements.

The requirements for FLM coordination are set forth in CAA 169A(d) and 40 CFR 51.308(i). The only mandate in regard to comments by FLMs states that Iowa ''shall include a summary of the conclusions and recommendations of the Federal land managers in the notice to the public'' [44] and ''must include a description of how it addressed any comments provided by the [FLMs]'' in developing its plan revision.[45] The commenters did not provide any citation to the CAA or the RHR to support its assertion that a state is required ''to meaningfully consider and incorporate into the SIP the concerns of the agencies responsible for managing the Class I resources impacted by pollution from the state.'' [46]

Sections 11.3 *Informal FLM Source Selection and LTS Discussions* and 11.4 *Formal FLM Consultation* of Iowa's SIP revision contain documentation of the State's consultation outreach with NPS, FWS, USFS and responses to FLM comments during the consultation outreach.[47] This included meeting with FLMs on January 20, 2022, providing an October 11, 2022, draft of the regional haze plan explicitly for the purpose of FLM consultation, and meeting with FLMs on November 3, 2022. Additionally, the NPS met with IDNR again on November 29, 2022, to present their preliminary comments.

Section 11.5 *Response to FLM Comments Received During Formal FLM Consultation* contained Iowa's responses to comments received as part of the October 2022 FLM draft review process.[48] Notably, both FLM comment letters provided generally positive comments on the State's FLM consultation and the SIP's organizational structure, content, analytical techniques, and the SO_2 reductions required from LGS and WSEC–3.[49] In addition to the October 2022 FLM consultation draft process, IDNR provided opportunity for review and comment on the February 2023 public draft. The NPS used this opportunity to provide additional comments which are included in section 12.1.2 *Comments from the National Park Service,* along with IDNR's responses to the comments.[50] Additionally, as described in section 11.1 *Regional Discussions,* Iowa participated in the regional planning organization (RPO), Central States Air Resource Agencies (CenSARA), which included FLM representatives on regular planning calls between 2017 and 2023.[51]

A key element of 40 CFR 51.308(i)(2) is that consultation occur early enough in a State's policy analyses of its LTS so that information and recommendations provided by the FLMs can meaningfully inform a State's decisions on the LTS.[52] 40 CFR 51.308(i)(2) requires the FLM consultation to happen 60 days before the public notice. Consistent with the preamble of the EPA's 2017 RHR, IDNR made a good faith effort to involve the FLMs early in development of the LTS. IDNR used the comments and feedback from the October 11, 2022, to December 9, 2022, FLM consultation draft to inform the final control determinations contained in the draft provided for the public notice and comment period starting on February 13, 2023. Iowa's August 2023 SIP submission also contains a commitment to continuing consultation with FLMs through regional planning activities or by separate calls as requested by FLMs to address 40 CFR 51.308(i)(4).[53]

For the reasons stated above, it is our determination that IDNR adequately conducted FLM consultation and has thus fulfilled the requirements of the CAA and RHR.

Comment 22: The Conservation Groups comment that the EPA's approval of Iowa's State-to-State consultation violates the CAA and the RHR because Iowa's four-factor analyses did not meet the requirements of the Act or the RHR. The commenters state that the EPA must issue a FIP that corrects the errors in IDNR's four-factor analyses and includes a consultation with South Dakota.

Response 22: The EPA disagrees with the commenters' assertion that Iowa did not meet the requirements for State-to-State consultation in 40 CFR 51.308(f)(2)(ii). Sections 11.1 *Regional Discussions* and 11.2 *Individual State Consultation* of Iowa's SIP submission contained documentation of Iowa's consultation with RPOs and individual States.[54] IDNR regularly participated in regional planning activities through the planning organizations, CenSARA and the Lake Michigan Air Directors Consortium. In addition to regional planning calls, Iowa also had individual State consultations with three States (Minnesota, Michigan, and Missouri) containing the five linked Class I areas in its 2023 SIP submission: Isle Royale, Seney, Boundary Waters, Voyageurs, and Hercules-Glades. Documentation of consultation with each State is contained in appendix H to Iowa's submittal.

Consistent with the preamble of the EPA's 2017 RHR, IDNR made a good faith effort to share its four-factor analyses and associated technical information with other States through its participation in regional planning calls and individual State consultations.[55] IDNR consulted with States reasonably expected to contribute to visibility impairment in Iowa's linked Class I areas for the second planning period. As stated in the 2017 RHR, ''the consultation provisions were intended to foster and facilitate regional solutions, not to mandate specific outcomes.'' [56]

As explained in detail in the NPRM, the EPA finds that Iowa's August 2023 SIP submission meets all of the statutory and regulatory requirements of the CAA and RHR.[57] Furthermore, the EPA finds that IDNR fulfilled the requirements for consultation with other States reasonably expected to contribute to visibility impairment in Iowa's linked Class I areas for the second planning period through its participation in regional planning calls and individual State consultations.[58] Thus, the EPA proposes approval of Iowa's SIP and concludes a FIP is unnecessary.

Comment 23: The Conservation Groups comment that the EPA's proposed action failed to consider environmental justice impacts from GNN and GNS. The commenters also assert that Iowa's SIP lacks any consideration of environmental justice. The comment also states that, according to EPA's EJ Screen and Mapping Tool, the communities within a 20-mile radius of GNN, LGS, and WSEC rank ''above average'' in risk for respiratory health impacts as compared to other States' census block groups and that the socioeconomic indicator of low income is higher than 50 percent. The commenters also state that the environmental justice indices for $PM_{2.5}$ and ozone are high for the communities surrounding LGS; the ozone environmental justice index is of considerable concern at GNN; PM and ozone are above the State median percentile at WSEC; and the people of

[44] CAA 169A(d).

[45] 40 CFR 51.308(i)(3).

[46] Conservation Organization' Comments on EPA's Proposed Approval of Iowa's Draft State Implementation Plan Regional Haze Second Implementation Period at 28.

[47] Iowa's August 15, 2023, submission at 61–62.

[48] *Id.* at 62–65.

[49] *Id.* at appendix F.

[50] *Id.* at 66–67.

[51] *Id.* at 61.

[52] 82 FR 3078, 3116 (Jan. 10, 2017).

[53] Iowa August 15, 2023, submission at 61.

[54] *Id.*

[55] *See* 82 FR 3078, 3116 (Jan. 10, 2017).

[56] *Id.* at 3088.

[57] 89 FR 63258, 63276 (Aug. 2, 2024).

[58] *Id.*

color percentiles range from 73rd to 88th percentile at the three facilities. The Conservation Groups conclude that the EPA must promulgate a FIP for Iowa sources and establish emission limitations that reduce impacts in both Class I areas and environmental justice communities.

Response 23: Neither the CAA nor the RHR require an evaluation of environmental justice with regard to a regional haze SIP. The focus of the regional haze SIP for Iowa is SO_2 and NO_X emissions as they impact visibility in Class I areas. This action addresses two EGU sources (LGS and WSEC) of air pollution impacting Class I areas. As discussed in the NPRM and in this final rule, the EPA has evaluated Iowa's SIP submission against the statutory and regulatory regional haze requirements and determined that it satisfies those minimum requirements.

Comment 24: The Conservation Groups comment that Iowa did not provide meaningful access for persons with limited English proficiency to review and comment on the draft SIP because they did not provide a public translation of the notice in any language other than English. The commenters assert that the socioeconomic indicator for limited English-speaking households in communities surrounding GNN, LGS, and WSEC range from 74 to 89 percent.

Response 24: In reviewing Iowa's August 15, 2023, Regional Haze SIP revision, the EPA found that IDNR satisfied the public notice and comment requirements for the SIP revision. Iowa provided an opportunity to submit written comments and request a public hearing. IDNR made the SIP submission available for public comment from February 13, 2023, to March 16, 2023.[59] The publication included notification of the 30-day notice period and information about the date, place, and time of the public hearing, as required under 40 CFR 51.102(a). After reasonable notice, the public hearing was held virtually on March 16, 2023.[60] Finally, Iowa's revised SIP submittal includes a certification that the State satisfied the requirements in 40 CFR 51.102(a) and (d), as required by 40 CFR 51.102(f).[61]

Furthermore, in section 12.1 *Response to Public Comments,* Iowa included additional details on the State's Notice of Nondiscrimination and Language Access Plan that are publicly available on IDNR's website and intended to provide meaningful access to individuals with limited English proficiency.[62] The EPA notes that the commenters do not allege that IDNR failed to fulfill its public notice and comment obligations, nor is there any indication that the commenters requested language assistance. In this instance, the State's public comment process meets the minimum requirements in the 40 CFR part 51, appendix V for SIP submissions.

IV. What action is the EPA taking?

The EPA is taking final action to amend the Iowa SIP by approving the State's submission received on August 15, 2023, as satisfying the regional haze requirements for the second implementation period contained in 40 CFR 51.308(f), (g), and (i). In addition, the EPA is approving and incorporating by reference in 40 CFR 52.820(d), *EPA-Approved Iowa Source-Specific Orders/Permits* the following source-specific requirements as part of Iowa's long-term strategy for regional haze:

- MidAmerican Energy Company—Louisa Station, permit #05–A–031–P6, state effective date July 20, 2023, not including permit condition 11.
- MidAmerican Energy Company—Walter Scott Jr. Energy Center, permit #75–A–357–P9, state effective date July 20, 2023, not including permit condition 11.
- MidAmerican Energy Company—Walter Scott, Jr. Energy Center permit #03–A–425–P4, state effective date December 5, 2011, not including permit condition 6.

V. Incorporation by Reference

In this document, the EPA is finalizing regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, the EPA is finalizing the incorporation by reference of the Iowa permits #05–A–031–P6, #75–A–357–P9, and #03–A–425–P4 discussed in sections I, II, and IV. of this preamble and as set forth below in the amendments to 40 CFR part 52. The EPA has made, and will continue to make, these materials generally available through *https://www.regulations.gov* and at the EPA Region 7 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 the EPA for inclusion in the SIP, have been incorporated by reference by the 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 the EPA's approval, and will be incorporated by reference in the next update to the SIP compilation.[63]

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 Orders 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

[59] *See* Iowa August 15, 2023, submission at 66.

[60] *See* 40 CFR 51.102(d).

[61] *See* Iowa August 15, 2023, submission at 82.

[62] *Id.* at 76.

[63] 62 FR 27968, May 22, 1997.

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 (CRA), 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 October 6, 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, Nitrogen dioxide, Ozone, Particulate matter, Sulfur oxides.

Dated: July 31, 2025.

James Macy,

Regional Administrator, Region 7.

For the reasons stated in the preamble, the EPA amends Title 40, chapter I, of the Code of Federal Regulations 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.*

Subpart Q–Iowa

■ 2. In § 52.820:

■ a. The table in paragraph (d) is amended by adding the entries ''(170)'', ''(171)'', and ''(172)'' in numerical order.

■ b. The table in paragraph (e) is amended by adding the entry ''(56)'' in numerical order.

The additions read as follows:

§ 52.820 Identification of plan.

* * * * *

(d) * * *

EPA-APPROVED IOWA SOURCE-SPECIFIC ORDERS/PERMITS

Name of source	Order/permit No.	State effective date	EPA approval date	Explanation
* *	*	*	* *	* *
(170) MidAmerican Energy Company—Louisa Station.	05–A–031–P6	7/20/2023	8/5/25, 90 FR [insert **Federal Register** page where the document begins].	Regional Haze Plan for the second implementation period; condition 11 of the permit is not part of the SIP.
(171) MidAmerican Energy Company—Walter Scott Jr. Energy Center.	75–A–357–P9	7/20/2023	8/5/2025, 90 FR [insert **Federal Register** page where the document begins].	Regional Haze Plan for the second implementation period; condition 11 of the permit is not part of the SIP.
(172) MidAmerican Energy Company—Walter Scott, Jr. Energy Center.	03–A–425–P4	12/5/2011	8/5/2025, 90 FR [insert **Federal Register** page where the document begins].	Regional Haze Plan for the second implementation period; condition 6 of the permit is not part of the SIP.

(e) * * *

EPA-APPROVED IOWA NONREGULATORY PROVISIONS

Name of nonregulatory SIP provision	Applicable geographic or nonattainment area	State submittal date	EPA approval date	Explanation
* *	*	*	*	* *
(56) Iowa Regional Haze Plan for the Second Implementation Period.	Statewide	8/15/2023	8/5/25, 90 FR [insert **Federal Register** page where the document begins].	[EPA–R07–OAR–2024–0313; FRL–12096–02–R7]

■ 3. Revise § 52.842 to read as follows:

§ 52.842 Visibility protection.

(a) The requirements of section 169A of the Clean Air Act (CAA) are met because the Regional Haze plan submitted by Iowa on March 25, 2008, and supplemented on May 14, 2019, includes fully approvable measures for meeting the requirements of the Regional Haze Rule including 40 CFR 51.308(d)(3) and (e) with respect to emissions of NO_X and SO_2 from electric generating units.

(b) The requirements of section 169A of the CAA are met because the Regional Haze plan submitted by Iowa on August 15, 2023, includes fully approvable measures for meeting the requirements of the Regional Haze Rule in 40 CFR 51.308.

[FR Doc. 2025–14850 Filed 8–4–25; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Part 418

[CMS–1835–F]

RIN 0938–AV49

Medicare Program; FY 2026 Hospice Wage Index and Payment Rate Update and Hospice Quality Reporting Program Requirements

AGENCY: Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services (HHS).

ACTION: Final rule.

SUMMARY: This final rule updates the hospice wage index, payment rates, and aggregate cap amount for Fiscal Year (FY) 2026. This rule also finalizes changes to the admission to hospice regulations and the hospice face-to-face attestation requirements under the certification of terminal illness regulations and includes technical changes to the hospice telehealth policy and wage index. This final rule also includes a technical correction to the regulatory text and provides updates to the Hospice Quality Reporting Program requirements.

DATES: These regulations are effective on October 1, 2025.

FOR FURTHER INFORMATION CONTACT:

For general questions about hospice payment policy, send your inquiry via email to: *hospicepolicy@cms.hhs.gov.*

For questions regarding the CAHPS® Hospice Survey, contact Lauren Fuentes at (410) 786–2290.

For questions regarding the hospice quality reporting program, contact Jermama Keys at (410) 786–7778.

SUPPLEMENTARY INFORMATION:

I. Executive Summary

A. Purpose

This final rule updates the hospice wage index, payment rates, and cap amount for FY 2026 as required under section 1814(i) of the Social Security Act (the Act). In addition, this final rule amends the payment regulations to specify that the physician member of the hospice interdisciplinary group (IDG) may recommend admission to hospice. This final rule also amends the attestation requirements at 42 CFR 418.22(b)(4) to align with the original intent of the CY 2011 Home Health Prospective Payment System (HH PPS) final rule and statutory requirements under section 1814(a)(7) of the Act for the certification of terminal illness to include the physician's or nurse practitioner's signature and the date of the signature on each face-to-face encounter attestation, and incorporate commenter suggestions on the proposed policy. This rule also includes a waiver of proposed rulemaking making a technical correction to conform the end date of the allowance of telehealth to perform the face-to-face encounter for the sole purpose of hospice recertification codified at § 418.22(a)(4)(ii) to the end date set forth in statute at section 1814(a)(7)(D)(i)(II) of the Act and setting the wage index for hospices that provide services in the Northern Mariana Islands and American Samoa to the wage index for CBSA 99965 (Guam).

This final rule corrects an error in the regulations text at § 418.312(j). This rule also reinforces updates on the Hospice Quality Reporting Program (HQRP) and the Hospice Outcomes and Patient Evaluation (HOPE) instrument and public reporting, future quality measures (QMs), and the transition of hospice providers from the Quality Improvement and Evaluation System (QIES) to the internet Quality Improvement and Evaluation System (iQIES). The proposed rule (90 FR 18568) also included RFIs related to the transition to digital measures, nutrition, and well-being concepts.

B. Summary of the Major Provisions

Section III.A.1. of this final rule includes updates to the hospice wage index and makes the application of the updated wage data budget neutral for all four levels of hospice care.

Section III.A.2. of this final rule includes the final FY 2026 hospice payment update percentage of 2.6 percent.

Section III.A.3. of this final rule includes the final FY 2026 hospice payment rates.

Section III.A.4. of this final rule includes the final update to the hospice cap amount for FY 2026 by the hospice payment update percentage of 2.6 percent.

Section III.B. of this final rule specifies that the physician member of the interdisciplinary group is among the types of physicians who can recommend a patient's admission to hospice care and adds the physician member of the interdisciplinary group to the regulatory text at § 418.25.

Section III.C. of this final rule re-aligns the attestation requirements in the regulatory text at § 418.22(b)(4) with the original intent of the statutory requirements under section 1814(a)(7) of the Act and CY 2011 HH PPS final rule for the certification of terminal illness regulations to include the physician's or nurse practitioner's signature and the date of the signature on each face-to-face encounter attestation. This section also incorporates suggestions from commenters to allow the actual face-to-face encounter clinical note to satisfy the statutory requirement for the hospice physician or nurse practitioner to attest to the encounter.

Section III.D. of this final rule includes a technical correction to the regulatory text at § 418.22(a)(4)(ii) that was not proposed. This technical correction extends the use of telehealth by a hospice physician or hospice nurse practitioner to conduct a face-to-face encounter for the sole purpose of hospice recertification through September 30, 2025 in accordance with section 1814(a)(7)(D)(i)(II) of the Act, as amended by section 2207(f) of the Full-Year Continuing Appropriations and Extensions Act, 2025 (Pub. L. 119–4).

Section III.E. of this final rule includes a technical correction to a typographical error in the FY 2024 Hospice final rule at § 418.312(j). This section provides updates on the HOPE instrument, HQRP measures, and the transition to iQIES. This section also provides RFIs related to the transition to digital measures, nutrition, and well-being concepts.

Section IV. of this final rule includes a Waiver of Notice of Proposed Rulemaking for technical corrections to the regulatory text at § 418.22(a)(4)(ii) and to include, in the FY 2026 hospice wage index, the wage indexes for the Northern Mariana Islands and American Samoa. While we do not believe that either the corrections to § 418.22(a)(4)(ii) or the addition to the wage index requires notice and comment rulemaking, as explained in section IV, of this final rule, there is good cause to waive such rulemaking if it were required.

C. Summary of Impacts

The overall economic impact of this final rule is estimated to be $750 million in increased payments to hospices in FY 2026.

II. Background

A. Hospice Care

Hospice care is a comprehensive, holistic approach to treatment that recognizes the impending death of a terminally ill individual and warrants a change in the focus from curative care to palliative care for relief of pain and for symptom management. Medicare regulations define ''palliative care'' as patient and family-centered care that

optimizes quality of life by anticipating, preventing, and treating suffering. Palliative care throughout the continuum of illness involves addressing physical, intellectual, emotional, social, and spiritual needs and to facilitate patient autonomy, access to information, and choice (42 CFR 418.3). Palliative care is at the core of hospice philosophy and care practices and is a critical component of the Medicare hospice benefit.

The goal of hospice care is to help terminally ill individuals continue life with minimal disruption to normal activities while remaining primarily in the home environment. A hospice uses an interdisciplinary approach to deliver medical, nursing, social, psychological, emotional, and spiritual services through a collaboration of professionals and other caregivers, with the goal of making the beneficiary as physically and emotionally comfortable as possible. Hospice is compassionate beneficiary- and family/caregiver-centered care for those who are terminally ill.

As referenced in our regulations at § 418.22(c)(1), to be certified for Medicare hospice services, the patient's attending physician (if any) and the hospice medical director (or designee) or physician member of the interdisciplinary group must certify that the individual is ''terminally ill,'' as defined in section 1861(dd)(3)(A) of the Act and our regulations at § 418.3; that is, the individual has a medical prognosis that the individual's life expectancy is 6 months or less if the illness runs its normal course (42 CFR 418.22(b)(1)). The regulations at § 418.22(b)(2) require that clinical information and other documentation that support the medical prognosis accompany the certification and be filed in the medical record with the written certification. The regulations at § 418.22(b)(3) require that the certification and recertification forms, or an addendum to the certification and recertification forms, include a brief narrative explanation of the clinical findings that supports a life expectancy of 6 months or less.

Under the Medicare hospice benefit, the election of hospice care is a patient choice, and once a terminally ill patient elects to receive hospice care, a hospice interdisciplinary group is essential in the seamless provision of primarily home-based services. The hospice interdisciplinary group works with the beneficiary, family, and caregivers to develop a coordinated, comprehensive care plan; reduce unnecessary diagnostics or ineffective therapies; and maintain ongoing communication with individuals and their families about changes in their condition. The beneficiary's care plan will shift over time to meet the changing needs of the individual, family, and caregiver(s) as the individual approaches the end of life.

If, in the judgment of the hospice interdisciplinary group (as specified at § 418.56(a)(1)), which includes the hospice physician, the patient's symptoms cannot be effectively managed at home, then the patient is eligible for general inpatient care (GIP), a more medically intense level of care. GIP must be provided in a Medicare-certified hospice freestanding facility, skilled nursing facility, or hospital. GIP is provided to ensure that any new or worsening symptoms are intensively addressed so that the beneficiary can return home for hospice care (routine home care) (RHC). Limited, short-term, intermittent, inpatient respite care (IRC) is also available because of the absence or need for relief of the family or other caregivers. Additionally, an individual can receive continuous home care (CHC) during a period of crisis in which an individual requires continuous care to achieve palliation or management of acute medical symptoms so that the individual can remain at home. CHC may be covered for as much as 24 hours a day, and these periods must be predominantly nursing care, in accordance with the regulations at § 418.204. A minimum of 8 hours of nursing care or nursing and aide care must be furnished on a particular day to qualify for the CHC rate (§ 418.302(e)(4)).

Hospices covered by this final rule must comply with applicable civil rights laws, including section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act, which prohibit covered entities from discriminating against individuals based on disability. This includes requiring covered entities to take appropriate steps to ensure that communications with applicants, participants, members of the public, and companions with disabilities are as effective as communications with others. Covered entities must also provide appropriate auxiliary aids and services when necessary to afford qualified individuals with disabilities, including applicants, participants, beneficiaries, companions, and members of the public, an equal opportunity to participate in, and enjoy the benefits of, a service, program or activity of a covered entity.[1]

B. Services Covered by the Medicare Hospice Benefit

Coverage under the Medicare hospice benefit requires that hospice services must be reasonable and necessary for the palliation and management of the terminal illness and related conditions. Section 1861(dd)(1) of the Act establishes the services that are to be rendered by a Medicare-certified hospice program. These covered services include: nursing care; physical therapy; occupational therapy; speech-language pathology services; medical social services; home health aide services (called hospice aide services); physician's services; homemaker services; medical supplies (including drugs and biologicals); medical appliances; counseling services (including dietary counseling); short-term inpatient care in a hospital, nursing facility, or hospice inpatient facility (including both respite care and procedures necessary for pain control and acute and chronic symptom management); continuous home care during periods of crisis, and only as necessary to maintain the terminally ill individual at home; and any other item or service which is specified in the plan of care and for which payment may otherwise be made under Medicare, in accordance with Title XVIII of the Act.

Section 1814(a)(7)(B) of the Act requires that a written plan for providing hospice care to a beneficiary who is a hospice patient be established before such care is provided by, or under arrangements made by, the hospice program; and that the written plan be periodically reviewed by the beneficiary's attending physician (if any), the hospice medical director, and an interdisciplinary group (section 1861(dd)(2)(B) of the Act). The services offered under the Medicare hospice benefit must be available to beneficiaries as needed, 24 hours a day, 7 days a week (section 1861(dd)(2)(A)(i) of the Act).

Upon the implementation of the hospice benefit, Congress also expected hospices to continue to use volunteer services, although Medicare does not pay for these volunteer services (section 1861(dd)(2)(E) of the Act). As stated in the Health Care Financing Administration's (now Centers for Medicare & Medicaid Services (CMS)) proposed rule: Medicare Program; Hospice Care (48 FR 38149), the hospice must have an interdisciplinary group composed of paid hospice employees as well as hospice volunteers, and that

[1] Hospices receiving Medicare Part A funds or other Federal financial assistance from the Department are also subject to additional Federal civil rights laws, including the Age Discrimination Act, and are subject to conscience and religious freedom laws where applicable.

''the hospice benefit with the resulting Medicare reimbursement is not intended to diminish the voluntary spirit of hospices.'' This expectation supports the hospice philosophy of community based, holistic, comprehensive, and compassionate end of life care.

C. Medicare Payment for Hospice Care

Sections 1812(d), 1813(a)(4), 1814(a)(7), 1814(i), and 1861(dd) of the Act, and the regulations in 42 CFR part 418, establish eligibility requirements, payment standards and procedures; define covered services; and delineate the conditions a hospice must meet to be approved for participation in the Medicare program. Part 418, subpart G, provides for a per diem payment based on one of four prospectively determined rate categories of hospice care (RHC, CHC, IRC, and GIP), based on each day a qualified Medicare beneficiary is under hospice care (once the individual has elected the benefit). This per diem payment is meant to cover all hospice services and items needed to manage the beneficiary's care, as required by section 1861(dd)(1) of the Act.

While payment made to hospices is to cover all items, services, and drugs for the palliation and management of the terminal illness and related conditions, federal funds cannot be used for prohibited activities, even in the context of a per diem payment. For example, hospices are prohibited from playing a role in medical aid in dying (MAID) where such practices have been legalized in certain States. The Assisted Suicide Funding Restriction Act of 1997 (Pub. L. 105–12, April 30, 1997) prohibits the use of federal funds to provide or pay for any health care item or service or health benefit coverage for the purpose of causing, or assisting to cause, the death of any individual including ''mercy killing, euthanasia, or assisted suicide.'' However, the prohibition does not pertain to the provision of an item or service for the purpose of alleviating pain or discomfort, even if such use may increase the risk of death, so long as the item or service is not furnished for the specific purpose of causing or accelerating death.

The Medicare hospice benefit has been revised and refined since its implementation after various Acts of Congress and Medicare rules. For a historical list of changes and regulatory actions, we refer readers to the background section of previous Hospice Wage Index and Payment Rate Update rules.[2]

III. Provisions of the Final Rule

A. Final FY 2026 Hospice Wage Index and Rate Update

1. Final FY 2026 Hospice Wage Index

a. Background

The hospice wage index is used to adjust payment rates for hospices under the Medicare program to reflect local differences in area wage levels, based on the location where services are furnished. The hospice wage index utilizes the wage adjustment factors used by the Secretary for purposes of section 1886(d)(3)(E) of the Act for hospital wage adjustments. Our regulations at § 418.306(c) require each labor market to be established using the most current hospital wage data available, including any changes made by the Office of Management and Budget (OMB) to Metropolitan Statistical Area (MSA) definitions.

In general, OMB issues major revisions to statistical areas every 10 years based on the results of the decennial census. On July 21, 2023, OMB issued Bulletin No. 23–01, which updated and superseded OMB Bulletin No. 20–01, issued on March 6, 2020. OMB Bulletin No. 23–01 established revised delineations for the MSAs, Micropolitan Statistical Areas, Combined Statistical Areas (CSAs), and Metropolitan Divisions, collectively referred to as Core Based Statistical Areas (CBSAs). According to OMB, the delineations reflect the 2020 Standards for Delineating Core Based Statistical Areas (the ''2020 Standards''), which appeared in the **Federal Register** (86 FR 37770 through 37778) on July 16, 2021, and application of those standards to Census Bureau population and journey-to-work data (for example, 2020 Decennial Census, American Community Survey, and Census Population Estimates Program data). A copy of OMB Bulletin No. 23–01 is available online at *https://www.bls.gov/bls/omb-bulletin-23-01-revised-delineations-of-metropolitan-statistical-areas.pdf.*

The July 21, 2023 OMB Bulletin No. 23–01 contained a number of significant changes. For example, it designated new CBSAs, split some existing CBSAs, and changed some urban counties to rural and some rural counties to urban. We believe it is important for the hospice wage index to use the latest OMB delineations available in order to maintain the most accurate and up-to-date payment system, reflecting the reality of population shifts and labor market conditions. We further believe that using the most current OMB delineations increases the integrity of the hospice wage index by creating a more accurate representation of geographic variation in wage levels. Therefore, in the FY 2025 Hospice final rule (89 FR 64208 through 64224), we finalized the implementation of new labor market areas based on the revisions in OMB Bulletin No. 23–01 beginning in FY 2025.

b. Hospice Floor and 5 Percent Cap Policies

As described in the August 8, 1997 Hospice Wage Index final rule (62 FR 42860), the pre-floor and pre-reclassified hospital wage index is used as the raw wage index for the hospice benefit. These raw wage index values are subject to application of the hospice floor to compute the hospice wage index used to determine payments to hospices. The pre-floor, pre-reclassified hospital wage index values below 0.8000 are adjusted by a 15 percent increase subject to a maximum wage index value of 0.8000. For example, if CBSA ''A'' has a pre-floor, pre-reclassified hospital wage index value of 0.3994, we would multiply 0.3994 by 1.15, which equals 0.4593. Since 0.4593 is not greater than 0.8000, the CBSA ''A's'' hospice wage index would be 0.4593. In another example, if CBSA ''B'' has a pre-floor, pre-reclassified hospital wage index value of 0.7440, we would multiply 0.7440 by 1.15, which equals 0.8556. Because 0.8556 is greater than 0.8000, CBSA ''B's'' hospice wage index would be 0.8000.

In the FY 2023 Hospice Wage Index and Rate Update final rule (87 FR 45673), we finalized for FY 2023 and subsequent years the application of a permanent 5 percent cap on any decrease to a geographic area's wage index from its wage index in the prior year, regardless of the circumstances causing the decline, so that a geographic area's wage index would not be less than 95 percent of its wage index calculated in the prior FY. When calculating the 5 percent cap on wage index decreases, we start with the current FY's pre-floor, pre-reclassification hospital wage index value for a CBSA or statewide rural area, and if that wage index value is below 0.8000, we apply the hospice floor as discussed previously in this section of the proposed rule. Next, we compare the current FY's wage index value after the application of the hospice floor to the

[2] Hospice Regulations and Notices. *https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/Hospice/Hospice-Regulations-and-Notices.*

final wage index value from the previous FY. If the current FY's wage index value is less than 95 percent of the previous year's wage index value, the 5 percent cap on wage index decreases would be applied and the final wage index value would be set equal to 95 percent of the previous FY's wage index value. If the 5 percent cap is applied in one FY, then in the subsequent FY, that year's pre-floor, pre-reclassification hospital wage index would be used as the starting wage index value and adjusted by the hospice floor. The hospice floor adjusted wage index value would be compared to the previous FY's wage index which had the 5 percent cap applied. If the hospice floor adjusted wage index value for that FY is less than 95 percent of the capped wage index from the previous year, then the 5 percent cap would be applied again, and the final wage index value would be 95 percent of the capped wage index from the previous FY. Using the example previously stated, if CBSA A has a pre-floor, pre-reclassified hospital wage index value of 0.3994, we would multiply 0.3994 by 1.15, which equals 0.4593. If CBSA ''A'' had a wage index value of 0.6200 in the previous FY, then we would compare 0.4593 to the previous FY's wage index value. Since 0.4593 is less than 95 percent of 0.6200, then CBSA ''A's'' hospice wage index would be 0.5890, which is equal to 95 percent of the previous FY's wage index value of 0.6200. In the next FY, the updated wage index value would be compared to the wage index value of 0.5890.

Previously, this 5 percent cap methodology was applied to all the counties that make up a CBSA or rural area. However, beginning in FY 2025, we finalized a policy that the 5 percent cap methodology also be applied to individual counties. In the FY 2025 Hospice Wage Index and Rate Update final rule (89 FR 64202), as a transition to the adoption of the revised delineations from OMB No. 23–01, we finalized a policy applying the permanent 5 percent cap on wage index decreases at the county level. Specifically, counties that were impacted by the revised designations beginning in FY 2025 would receive a 5 percent cap on any decrease in a geographic area's wage index value from the wage index value from the prior FY. Also, beginning in FY 2025, counties that have a different wage index value than the CBSA or rural area into which they are designated due to the application of the 5 percent cap (including redesignated counties that will receive the 5 percent cap and redesignated counties that move into a CBSA or rural area where all other constituent counties receive the 5 percent cap) would use a wage index transition code. These special codes are five digits in length and begin with ''50''. The 50XXX wage index transition codes are used only in specific counties. Counties located in CBSAs and rural areas that do not correspond to a different transition wage index value will still use the CBSA number.

Finally, we finalized a policy to apply the 5 percent cap to a county that corresponds to a different wage index value than the wage index value assigned to the CBSA or rural area in which they are designated due to a delineation change until the county's new wage index is more than 95 percent of the wage index from the previous FY. In order to capture the correct wage index value, the county will continue to use the assigned 50XXX transition code until the county's wage index value calculated for that FY using the new OMB delineations is not less than 95 percent of the county's capped wage index from the previous FY.

While we did not propose any changes to the hospice floor or 5 percent cap policies for FY 2026, we did receive a few comments on these finalized policies. A summary of the comments and our responses to those comments are as follows:

Comment: Several commenters expressed support for the continued application of the 5 percent cap on wage index decreases. A commenter stated that the 5 percent cap policy provides an important protection for hospices in areas experiencing wage index volatility due to the adoption of revised OMB statistical area delineations. This commenter also expressed support for the application of the cap at the county level, stating that the county-level application of the 5 percent cap represents a thoughtful approach to mitigating the financial impact of geographic reclassifications while maintaining the integrity of the wage index system.

Response: We thank the commenters for their support.

Comment: Other commenters recommended changes to the 5 percent cap policy. While MedPAC recommended that CMS also apply a cap to the wage index increase that a provider can experience in a given year, other commenters expressed concern that the 5 percent cap on wage index decreases may not be sufficient and recommended lowering the cap threshold. A commenter stated that even a 5 percent cut year-over-year can significantly strain hospice operations, especially amid rising costs. In addition, a commenter stated that a 5 percent cap on wage index decreases may stabilize some regions but still leaves many providers undercompensated, compromising access and quality. A few commenters expressed concern with the financial impact of wage index decreases in high cost of living areas, specifically in New York state and Northern California. A commenter stated that decreases to 6 of the 15 New York CBSAs for FY 2026 (with one reaching the 5 percent cap and three other CBSAs proposed to see decreases of 4.03 percent, 3.37 percent, and 2.86 percent), will make serving Medicare hospice beneficiaries in these areas of New York more challenging. Another commenter stated that the wage index for Sacramento has decreased since FY 2022 (from 1.7072 in FY 2022 to 1.631 in FY 2025, with CMS now proposing a further decrease to 1.5690 for FY 2026) and as a result, the projected payment for Hospice payments in FY 2026 will be less than the payment received in 2022 despite a cumulative nationwide inflation of 15.98 percent over the same period. The commenter expressed concern that hospice programs in Northern California cannot sustain 4 years with no increase in payment given the ongoing inflationary trends. This commenter stated they believe that in order to ensure stability, CMS should cap wage index decreases to the level of the market basket update.

Additionally, a commenter recommended that CMS consider lowering the cap to 2.5 or 3 percent to protect hospice providers who are operating with negative operating margins and are still experiencing multiple negative consequences due to the COVID–19 pandemic, such as increased costs and loss of staff. Another commenter recommended that CMS cap wage index reductions to the level of the market basket update or only permit upward adjustments in CBSA wage index values in order to ensure stability in hospice payments. Finally, a commenter recommended that CMS apply a zero percent floor to wage index adjustments in CBSAs with demonstrably increasing labor costs.

Response: We appreciate the commenters' recommendations; however, these comments are outside the scope of the proposed rule as we did not propose any changes to the wage index cap. Regarding MedPAC's suggestion that the wage index cap policy should also be applied to wage index increases, the purpose of the 5 percent cap policy is to help mitigate the significant negative impacts of wage index decreases. Therefore, we do not

believe it would be appropriate to also cap wage index increases.

Furthermore, with respect to commenters' recommendations about lowering the cap on decreases, we continue to believe that the 5 percent cap on wage index decreases is sufficient to effectively mitigate any significant decreases in a hospice's wage index for a fiscal year, while still balancing the importance of ensuring that area wage index values accurately reflect relative differences in area wage levels. We continue to believe that a 5 percent cap on wage index decreases is sufficient because it provides a degree of predictability in payment changes for providers and allows providers time to adjust to any significant decreases they may face year to year. Also, while we appreciate the concerns raised by commenters on the financial impact of wage index decreases on high cost of living areas we believe that 5 percent is a reasonable level for the cap because it effectively mitigates any significant decreases in a hospice's wage index for future FYs, while still balancing the importance of ensuring that area wage index values accurately reflect relative differences in area wage levels. Therefore, we do not believe that it would be appropriate to lower the cap percentage, to apply a zero percent floor to wage index adjustments or to only permit upward wage index adjustments.

Comment: A few commenters expressed concern with the hospice floor policy. A commenter recommended that CMS reevaluate the hospice floor policy to ensure adequate reimbursement in persistently underserved rural regions, especially with declining wage index adjustments. Another commenter stated that even with the hospice-specific floor (capped at 0.8000), providers in rural areas receive substantially lower reimbursement for delivering the same services, limiting their ability to retain staff, cover operating expenses, and invest in care quality. Additionally, a commenter stated that without a wage index floor or multi-year transition strategy, many hospices, regardless of location, face abrupt and destabilizing reimbursement cuts.

Response: We appreciate these recommendations. However, these comments are out of scope as we did not propose any changes to the hospice floor policy. Regardless, we believe that the hospice floor, which adjusts the pre-floor, pre-reclassified hospital wage index values below 0.8000 by a 15 percent increase subject to a maximum wage index value of 0.8000, and the 5 percent cap on wage index decreases is sufficient to mitigate any potential negative impact for hospices serving beneficiaries in these rural areas.

Final Decision: We did not propose any changes to finalized hospice floor and 5 percent cap policies. Therefore, the FY 2026 hospice wage index will continue to include the hospice floor as well as the 5 percent cap on wage index decreases. For FY 2026, the 5 percent cap on wage index decreases will continue to be calculated at the county level . While some counties that required a transition code for FY 2025 will continue to use the same transition code for FY 2026, other counties that required a transition code in FY 2025 will no longer require a transition code in FY 2026. For these counties, the FY 2026 wage index of the CBSA or rural area that they are designated into has a wage index higher than 95 percent of their previous FY's wage index. Therefore, these counties will use the CBSA or rural county code of the area they were redesignated into based on OMB Bulletin No. 23–01.

More information regarding these special codes can be found in the FY 2025 Hospice Wage Index and Rate Update final rule (89 FR 64220 through 64224). Additionally, the list of counties that must use a 50XXX transition code for a given FY can be found as a separate tab in the hospice wage index file for that FY available on the CMS website at *https://www.cms.gov/medicare/payment/fee-for-service-providers/hospice/hospice-wage-index.*

c. Final FY 2026 Hospice Wage Index

In the FY 2020 Hospice Wage Index and Rate Update final rule (84 FR 38484) we finalized a policy to use the current FY's hospital wage index data to calculate the hospice wage index values. For FY 2026, we proposed that the hospice wage index would be based on the FY 2026 hospital pre-floor, pre-reclassified wage index for hospital cost reporting periods beginning on or after October 1, 2021 and before October 1, 2022 (FY 2022 cost report data). We noted that the FY 2026 hospice wage index would not consider any geographic reclassification of hospitals, including those in accordance with sections 1886(d)(8)(B) or 1886(d)(10) of the Act. The regulations that govern hospice payment do not provide a mechanism for allowing hospices to seek geographic reclassification or to utilize the rural floor provisions that exist for Inpatient Prospective Payment System (IPPS) hospitals. The reclassification provision found in section 1886(d)(10) of the Act is specific to hospitals. Section 4410(a) of the Balanced Budget Act of 1997 (Pub. L. 105–33) provides that the area wage index applicable to any hospital located in an urban area of a State may not be less than the area wage index applicable to hospitals located in rural areas in that State. This rural floor provision is also specific to hospitals. Because the reclassification and the hospital rural floor policies apply to hospitals only, and not to hospices, we continue to believe the use of the pre-floor and pre-reclassified hospital wage index is the most appropriate adjustment to the labor portion of the hospice payment rates. This position is longstanding and consistent with other Medicare payment systems, for example, the skilled nursing facility prospective payment system (SNF PPS), the inpatient rehabilitation facility prospective payment system (IRF PPS), and the home health prospective payment system (HH PPS). However, the hospice wage index does include the hospice floor, which is applicable to all CBSAs, both rural and urban. The hospice floor adjusts pre-floor, pre-reclassified hospital wage index values below 0.8000 by a 15 percent increase subject to a maximum wage index value of 0.8000.

The appropriate FY 2026 wage index value will be applied to the labor portion of the hospice payment rate based on the geographic area in which the beneficiary resides when receiving RHC or CHC. The appropriate FY 2026 wage index value will be applied to the labor portion of the payment rate based on the geographic location of the facility for beneficiaries receiving GIP or IRC.

There exist some geographic areas where there are no hospitals, and thus, no hospital wage data on which to base the calculation of the hospice wage index. In the FY 2006 Hospice Wage Index and Rate Update final rule (70 FR 45135), we adopted the policy that, for urban labor markets without a hospital from which hospital wage index data could be derived, all the CBSAs within the State would be used to calculate a statewide urban average pre-floor, pre-reclassified hospital wage index value to use as a reasonable proxy for these areas. For FY 2026, the only CBSA without a hospital from which hospital wage data can be derived is 25980, Hinesville, Georgia. As such, the proposed FY 2026 hospice wage index for Hinesville, Georgia was 0.8892. Based on updated wage index data, the final FY 2026 hospice wage index value for Hinesville, Georgia is 0.8894.

In the FY 2008 Hospice Wage Index and Rate Update final rule (72 FR 50217 through 50218), we implemented a methodology to update the hospice wage index for rural areas without hospital wage data. In cases where there

is a rural area without rural hospital wage data, we use the average pre-floor, pre-reclassified hospital wage index data from all contiguous CBSAs, to represent a reasonable proxy for the rural area. The term ''contiguous'' means sharing a border (72 FR 50217). In the FY 2025 Hospice Wage Index and Rate Update final rule (89 FR 64207), as part of our adoption of the revised OMB delineations, rural North Dakota became a rural area without a hospital from which hospital wage data can be derived. Therefore, to calculate the proposed FY 2026 wage index for rural area 99935, North Dakota, we used as a proxy the average pre-floor, pre-reclassified hospital wage data (updated by the hospice floor and 5 percent cap) from the contiguous CBSAs: CBSA 13900-Bismark, ND, CBSA 22020-Fargo, ND–MN, CBSA 24220-Grand Forks, ND–MN and CBSA 33500, Minot, ND, which resulted in a proposed FY 2026 hospice wage index of 0.8486 for rural North Dakota. Based on updated wage index data, the final FY 2026 hospice wage index value for rural North Dakota is 0.8469.

Previously, the only rural area without a hospital from which hospital wage data could be derived was in Puerto Rico. However, for rural Puerto Rico, we did not apply this methodology due to the distinct economic circumstances that exist there (for example, due to the close proximity of almost all of Puerto Rico's various urban areas to non-urban areas, this methodology would produce a wage index for rural Puerto Rico that is higher than that of half of its urban areas). Instead, we used the most recent wage index previously available for that area, which was 0.4047, subsequently adjusted by the hospice floor for an adjusted wage index of 0.4654. For FY 2025, we noted as part of our adoption of the revised OMB delineations, there is now a hospital in rural Puerto Rico from which hospital wage data can be derived. Therefore, we finalized a wage index for rural Puerto Rico based on the hospital wage data for the area instead of the previously available pre-hospice floor wage index of 0.4047, which equaled an adjusted wage index value of 0.4654. The proposed FY 2026 pre-hospice floor unadjusted wage index for rural Puerto Rico was 0.2452 subsequently adjusted by the hospice floor to equal 0.2820. Because 0.2820 is more than a 5 percent decline in the FY 2025 wage index, the adjusted FY 2026 wage index with the 5 percent cap applied would equal 0.95 multiplied by 0.4421 (that is, the FY 2025 wage index with 5 percent cap), which resulted in a proposed FY 2026 wage index value of 0.4200. Based on updated wage index data, the final FY 2026 pre-hospice floor unadjusted wage index for rural Puerto Rico is 0.2443 subsequently adjusted by the hospice floor to equal 0.2809. Because 0.2809 is more than a 5 percent decline in the FY 2025 wage index, the adjusted FY 2026 wage index with the 5 percent cap applied would equal 0.95 multiplied by 0.4421 (that is, the FY 2025 wage index with 5 percent cap), which results in a final FY 2026 wage index value of 0.4200.

The final hospice wage index applicable for FY 2026 (October 1, 2025 through September 30, 2026) is available on the CMS website for the Hospice Wage Index page located at *https://www.cms.gov/medicare/payment/fee-for-service-providers/hospice/hospice-wage-index* as well as the FY 2026 Hospice Wage Index final rule web page at *https://www.cms.gov/medicare/payment/fee-for-service-providers/hospice/hospice-regulations-and-notices.*

We received 24 public comments on the proposed FY 2026 hospice wage index. A summary of the comments and our responses to those comments are as follows:

Comment: Several commenters including MedPAC recommended more far-reaching revisions and reforms to the wage index methodology used under Medicare fee-for-service than the proposed wage index policies outlined in the FY 2026 Hospice Wage Index and Rate Update proposed rule. MedPAC recommended that the Secretary use existing authority to adopt the Commission's June 2023 wage index plan that calls for Congress to repeal the existing Medicare wage index statutes, including current exceptions, and require the Secretary to phase in a new Medicare wage index system for hospitals and other types of providers that: uses all-employer, occupation-level wage data with different occupation weights for the wage index of each provider type; reflects local area level differences in wages between and within metropolitan statistical areas and statewide rural areas; and smooths wage index differences across adjacent local areas.

Other commenters urged CMS to engage with interested parties in exploring alternatives to the current reliance on hospital-based wage data to set hospice payments. A few commenters stated that the hospice wage index, based on inpatient hospital data, fails to adequately account for unique and considerable hospice-specific circumstances and costs such as the costs associated with travel to patients' homes. Another commenter requested changes to the hospice wage index methodology and stated that the pre-floor, pre-reclassified hospital wage index is wholly inadequate for adjusting hospice and home health costs in states like New York, which has some of the nation's highest labor costs, and which continue to increase. Finally, a commenter requested CMS publish a state- and county-level wage index impact analysis and consider an alternative hospice-specific wage index methodology in future rulemaking.

Response: We thank the commenters for their recommendations. While we did not propose any changes to the wage index methodology in the proposed rule, we may consider these recommendations in future rulemaking.

Comment: A few commenters expressed concern that hospice providers are unable to benefit from IPPS hospital wage index policies such as out-migration, reclassification, and the rural floor. Specifically, some commenters expressed concern that hospices in Kootenai County, ID do not benefit from the hospital outmigration policy and stated that CMS has already acknowledged the labor market overlap through this county's eligibility for a hospital wage index out-migration adjustment. They stated that it is inconsistent and financially unsound to recognize this disparity for hospitals but not for hospice providers operating in the same environment and serving the same communities.

Other commenters recommended that the hospice wage index incorporate the hospital reclassification policy. A commenter recommended that the reclassification provision be extended specifically to provider-based home health and hospice agencies affiliated with hospital or health systems. A commenter stated that the inability to reclassify leaves hospices uniquely vulnerable in a competitive labor market with a limited pipeline of available workers.

Finally, a commenter requested that CMS reinstitute its prior policy that no hospice be paid below the rural floor for their State.

Response: We remind interested parties that the statutory provisions that govern hospice payment do not provide a mechanism for allowing hospices to seek geographic reclassification or to utilize the rural floor or out-migration provisions that exist for IPPS hospitals. The reclassification provision found in section 1886(d)(10) of the Act is specific to hospitals. Section 4410(a) of the Balanced Budget Act of 1997 (Pub. L. 105–33) provides that the area wage index applicable to any hospital that is

in an urban area of a State may not be less than the area wage index applicable to hospitals located in rural areas in that State. Section 1886(d)(13) of the Act outlines the adjustment that is applied to hospitals that experience a significant shift in their patient population due to patients seeking care outside their geographic area (out-migration). Because the reclassification provision, the hospital rural floor, and the out-migration provision apply only to hospitals, and not to hospices (even those hospices that are affiliated with a hospital or other health care system), we continue to believe the use of the pre-floor and pre-reclassified hospital wage index results is the most appropriate adjustment to the labor portion of the hospice payment rates. However, we note that hospices do receive the hospice floor which adjusts the pre-floor, pre-reclassified hospital wage index values below 0.8000 by a 15 percent increase subject to a maximum wage index value of 0.8000 and the 5 percent cap on wage index decreases and these policies apply to both urban and rural areas.

Comment: A few commenters expressed concern with the CBSA designations and wage index values assigned to their specific geographic areas. Several commenters representing hospices in Coeur d'Alene, ID stated that the economy and cost-of-living of Coeur d'Alene, ID and Kootenai County, ID is not reflective of the rest of the Idaho region but rather is more reflective of the ''Pacific'' region that includes the Spokane, WA CBSA. A commenter stated that despite being part of a shared economic and labor market with neighboring counties in Washington and Montana, the Coeur d'Alene, ID reimbursement rate is falling behind at a time when costs are rising across the board. These commenters recommended that CMS align Coeur d'Alene, ID and Kootenai County's hospice reimbursement rate with that of the Spokane, WA metropolitan area.

Response: We thank the commenters for these recommendations. However, we have used CBSAs for determining hospice payments since FY 2006 and continue to believe that the OMB's geographic area delineations represent a useful proxy for differentiating between labor markets and that the geographic area delineations are appropriate for use in determining Medicare hospice payments. CBSAs provide a uniform and consistent basis for determining statistical area delineations, based on long-standing statistical standards maintained by OMB. Further, OMB conducts periodic review of the standards to ensure their continued usefulness and relevance. Additionally, other provider types, such as IPPS hospitals, home health agencies (HHAs), skilled nursing facilities (SNFs), and inpatient rehabilitation facilities (IRFs), all use CBSAs to define their labor market areas. Therefore, we believe it is important to apply this method consistently among providers. Using the most current OMB delineations provides an accurate representation of geographic variation in wage levels. For example, we do not believe it would be appropriate to allow Kootenai County, ID to be reassigned into a higher CBSA designation. However, if OMB redesignates Kootenai County, ID into the Spokane, WA, we would propose this change in future rulemaking consistent with our longstanding approach of adopting OMB statistical area delineations outlined in the most recent OMB bulletins.

Final Decision: After consideration of public comments, we are finalizing our proposal to use the FY 2026 pre-floor, pre-reclassified hospital wage index data as the basis for the FY 2026 hospice wage index. Additionally, using our established methodology for rural areas with no hospitals, we are including in the FY 2026 hospice wage index the wage indexes for the Northern Mariana Islands and American Samoa. Consistent with our established methodology, we compute an appropriate wage index for rural areas with no hospital using the average wage index values from contiguous CBSAs to represent a reasonable proxy. We believe that CBSA 99965 (Guam) represents a reasonable proxy because the islands are located within the Pacific Rim and share a common status of US territories. While Guam does not share a land border with either the Northern Mariana Islands or American Samoa, we believe that Guam's wage index is a reasonable proxy for the wage indexes of American Samoa and the Northern Mariana Islands under our contiguous CBSA policy given that those two territories cannot share a land border with others CBSAs Therefore, hospices that provide services in the Northern Mariana Islands and American Samoa should use CBSA 99965 (Guam) and should receive the wage index assigned to CBSA 99965 (Guam) of 0.9611. Although we did not propose this in the proposed rule, we believe notice and comment rulemaking is not needed to add the wage indexes of the Northern Mariana Islands and American Samoa because their inclusion aligns with our current methodology, current law for establishing the wage index, and current practice. As stated previously, choosing Guam's wage index as the reasonable proxy for the wage indexes of the Northern Mariana Islands and American Samoa is the best application of CMS's contiguous CBSA policy to the anomalous situation of U.S. territories separated by the ocean, and applying the contiguous policy as described ensures that the Northern Mariana Islands and American Samoa have wage indexes per 42 CFR 418.306(c). The addition of the Northern Mariana Islands and American Samoa to the wage index would also have no effect on hospice payment because hospices in the two territories currently receive payment based on calculations using Guam's wage index. Moreover, there is good cause to waive rulemaking for the addition of the Northern Mariana Islands and American Samoa to the wage index. We explain why there is good cause for a waiver in section IV. of this final rule, Waiver of Proposed Rulemaking.

The wage index applicable for FY 2026 is available on our website at *https://www.cms.gov/medicare/payment/fee-for-service-providers/hospice/hospice-wage-index.* The hospice wage index for FY 2026 is effective October 1, 2025, through September 30, 2026.

2. Final FY 2026 Hospice Payment Update Percentage

Section 4441(a) of the Balanced Budget Act of 1997 (BBA) (Pub. L. 105–33) amended section 1814(i)(1)(C)(ii)(VI) of the Act to establish updates to hospice rates for FYs 1998 through 2002. Hospice rates were to be updated by a factor equal to the inpatient hospital market basket percentage increase set out under section 1886(b)(3)(B)(iii) of the Act, minus one percentage point. Payment rates for FYs since 2002 have been updated as required by section 1814(i)(1)(C)(ii)(VII) of the Act, which states that the update to the payment rates for subsequent FYs must be the inpatient hospital market basket percentage increase for that FY. In the FY 2022 IPPS/LTCH PPS final rule (86 FR 45194 through 45204), we finalized the rebased and revised IPPS market basket to reflect a 2018 base year. For FY 2026, we proposed to rebase and revise the IPPS market basket to reflect a 2023 base year. For more information on this proposal, we refer readers to the FY 2026 IPPS/LTCH PPS proposed rule (90 FR 18237 through 18247).

Section 3401(g) of the Affordable Care Act mandated that, starting with FY 2013 (and in subsequent FYs), the hospice payment update percentage be

annually reduced by changes in economy-wide productivity as specified in section 1886(b)(3)(B)(xi)(II) of the Act. The statute defines the productivity adjustment to be equal to the 10-year moving average of changes in annual economy-wide private nonfarm business multifactor productivity (MFP) as projected by the Secretary for the 10-year period ending with the applicable FY, year, cost reporting period, or other annual period (the ''productivity adjustment''). The United States Department of Labor's Bureau of Labor Statistics (BLS) publishes the official measures of productivity for the United States economy. We note that, previously, the productivity measure referenced in section 1886(b)(3)(B)(xi)(II) of the Act was published by BLS as private nonfarm business multifactor productivity. Beginning with the November 18, 2021 release of productivity data, BLS replaced the term ''multifactor productivity'' with ''total factor productivity'' (TFP). BLS noted that this is a change in terminology only and would not affect the data or methodology. As a result of the BLS name change, the productivity measure referenced in section 1886(b)(3)(B)(xi)(II) of the Act is now published by BLS as ''private nonfarm business total factor productivity.'' However, as mentioned, the data and methods are unchanged. We refer readers to *http://www.bls.gov* for the BLS historical published TFP data. A complete description of IHS Global Inc.'s (IGIs) TFP projection methodology is available on the CMS website at *https://www.cms.gov/data-research/statistics-trends-and-reports/medicare-program-rates-statistics/market-basket-research-and-information.* In addition, in the FY 2022 IPPS final rule (86 FR 45214), we noted that beginning with FY 2022, CMS changed the name of this adjustment to refer to it as the ''productivity adjustment'' rather than the ''MFP adjustment''.

Consistent with our historical practice, we estimate the market basket percentage increase, and the productivity adjustment based on IGI's forecast, using the most recent available data. The proposed hospice payment update percentage for FY 2026 was based on the most recent estimate of the inpatient hospital market basket (based on IGI's fourth quarter 2024 forecast). Due to the requirements at sections 1886(b)(3)(B)(xi)(II) and 1814(i)(1)(C)(v) of the Act, the proposed inpatient hospital market basket percentage increase for FY 2026 of 3.2 percent was required to be reduced by a productivity adjustment as mandated by section 3401(g) of the Affordable Care Act. The proposed productivity adjustment for FY 2026 was 0.8 percentage point (based on IGI's fourth quarter 2024 forecast). Therefore, the proposed hospice payment update percentage for FY 2026 was 2.4 percent. We also proposed that if more recent data became available after the publication of the proposed rule and before the publication of the final rule (for example, a more recent estimate of the inpatient hospital market basket percentage increase or productivity adjustment), we would use such data, if appropriate, to determine the hospice payment update percentage in the FY 2026 final rule. We continue to believe it is appropriate to routinely update the hospice payment system so that it reflects the best available data regarding differences in patient resource use and costs among hospices as required by the statute.

In the FY 2022 Hospice Wage Index and Rate Update final rule (86 FR 42532), we rebased and revised the labor shares for RHC, CHC, GIP, and IRC using Medicare cost report data for freestanding hospices (CMS Form 1984–14, OMB Control Number 0938–0758) from 2018. The current labor portion of the payment rates are: RHC, 66.0 percent; CHC, 75.2 percent; GIP, 63.5 percent; and IRC, 61.0 percent. The non-labor portion is equal to 100 percent minus the labor portion for each level of care. The non-labor portion of the payment rates are as follows: RHC, 34.0 percent; CHC, 24.8 percent; GIP, 36.5 percent; and IRC, 39.0 percent.

We received 37 public comments on our proposal for the FY 2026 hospice payment update percentage. A summary of the comments and our responses to those comments are as follows:

Comment: Several commenters expressed their appreciation for the proposed inpatient hospital market basket update for FY 2026; however, most commenters expressed their belief that the proposed 2.4 percent increase would not cover their increased operating costs. Specifically, these commenters stated that they have been facing unprecedented increases in labor costs which have far outpaced the market basket updates that hospices have received in recent years. They stated they continue to grapple with a healthcare workforce shortage causing intense competition for skilled staff (including but not limited to nurses, social workers, aides, among other professionals), driving wages upward. Several commenters noted that BLS data indicates that healthcare sector inflation continues to be higher than historical norms and wages, salaries, and employer costs for health care are increasing at higher rates. Several commenters noted that MedPAC reports nonprofit hospices have margins in the single digits which they stated makes it even more difficult for them in the midst of rising costs for medications, supplies, employee wages, and benefits.

The commenters also stated that the proposed payment update has not appropriately captured the inflation pressures experienced for non-labor operating expenses, specifically the increased costs for medical supplies, personal protective equipment, durable medical equipment, pharmaceuticals, rent and utilities. A commenter also noted that tariffs will only further increase the cost of doing business for hospice providers. A commenter stated that hospices incur substantial travel-related costs in their state. A commenter stated they believe the proposed payment update does not reflect the increased costs of the new EMR and information-technology management contracts to comply with the revised HIPAA Security Rule; the increased training and education requirements to meet new CMS hospice regulatory demands; and the additional administrative personnel required to manage medical reviews and investigations secondary to new CMS regulations, and payment issues from Managed Care and Medicare Advantage plans.

Several commenters recommended CMS increase the proposed FY 2026 hospice payment increase by a different update than the proposed IPPS market basket update. A commenter requested CMS to recognize the cost-saving value of hospice services to the Medicare program and implement a one-time catch-up adjustment to hospice payments to reflect the true cost of care. A commenter requested CMS examine trends relative to IHS Global Inc.'s forecasts to determine whether more recently available data could be used for the final FY 2026 rule, resulting in a higher market basket update. They also requested CMS determine whether additional updates could be made during the course of FY 2026 to provide additional support to hospice and other providers, such as through a one-time adjustment. A commenter requested that CMS continue to monitor profit margins, wage index variations, and the myriad of factors that impact nonprofit hospices as CMS moves forward with changes to the current methodology. Several commenters requested CMS pursue all possible administrative options available to support hospices and provide a higher payment update

for FY 2026. To the extent that CMS' hands are tied by statutory formulas for updating hospice payments, they requested CMS work with Congress to address this need. A commenter stated that the hospice payment updates rely on cost reports that are 2 to 3 years old, failing to reflect real-time operational cost increases which they say is particularly damaging in periods of economic volatility. They requested that CMS consider implementing a prospective payment model based on current-year data, perhaps utilizing real-time provider-reported financial data or a claims-based adjustment mechanism. A commenter requested CMS index the base payment update to actual medical inflation or provide a targeted supplemental increase for providers serving a high proportion of dual-eligible beneficiaries.

Response: We acknowledge concerns about recent inflation trends and requests for a higher FY 2026 hospice payment update or an alternative payment recommendation that differs from the statutorily required productivity-adjusted IPPS market basket update.

However, section 1814(i)(1)(C)(ii)(VII) of the Act requires CMS to update hospice payments by the IPPS market basket percentage increase (as defined in section 1886(b)(3)(B)(iii) of the Act) adjusted for productivity. We note that in the FY 2026 IPPS/LTCH proposed rule (90 FR 18237 through 18247), we proposed to rebase and revise the IPPS market basket to reflect a 2023 base year. Section 1886(b)(3)(B)(iii) of the Act states the Secretary shall update IPPS payments based on a market basket percentage increase estimated by the Secretary before the beginning of the period or fiscal year, by which the cost of the mix of goods and services (including personnel costs but excluding nonoperating costs) comprising routine, ancillary, and special care unit inpatient hospital services, based on an index of appropriately weighted indicators of changes in wages and prices which are representative of the mix of goods and services included in such inpatient hospital services. The IPPS market basket is a fixed-weight, Laspeyres-type index that measures price changes over time and would not reflect increases in costs associated with changes in the volume or intensity of input goods and services. As such, the IPPS market basket update would reflect the prospective price pressures described by the commenters during a high inflation period (such as faster wage growth or higher energy prices) but might not reflect other factors that could increase costs such as the quantity of labor used or any shifts between contract and staff nurses. We note that cost changes (that is, the product of price and quantities) would only be reflected when a market basket is rebased, and the base year weights are updated to a more recent time period.

We understand that the market basket updates may differ from other overall inflation indexes such as the CPI for Medical Care; however, we would reiterate that these topline indexes are not comparable since they measure different mixes of products, services, or wages than the legislatively defined CMS IPPS hospital market basket. We would highlight that the market basket percentage increase is a forecast of the price pressures that hospitals are expected to face in FY 2026. We also note that when developing its forecast for the various price indexes used in the IPPS market basket, IGI considers industry-specific and overall economic conditions. More specifically for the ECI for hospital workers (which is used to measure compensation prices), IGI considers overall labor market conditions (including the impact of wage pressures on skill mix) as well as trends in contract labor wages, which both have an impact on wage pressures for workers employed directly by the hospital.

As stated in the FY 2026 IPPS/LTCH proposed rule (90 FR 18266) we proposed a FY 2026 applicable percentage increase of 2.4 percent, reflecting the proposed 2023-based IPPS market basket rate-of-increase of 3.2 percent and proposed productivity adjustment of 0.8 percentage point. We also proposed that if more recent data became available, we would use such data, if appropriate, to derive the final FY 2026 IPPS market basket update for the final rule. We appreciate the commenters' concerns regarding inflationary pressure and the request to use more recent data to determine the FY 2026 IPPS market basket update. For this final rule, we are using an updated forecast of the price proxies underlying the market basket that incorporates more recent historical data and reflects a revised outlook regarding the U.S. economy. As published in the FY 2026 IPPS/LTCH final rule, based on more recent data available for this FY 2026 Hospice Wage Index and Rate Update final rule (that is, IGI's second quarter 2025 forecast of the 2023-based IPPS market basket rate-of-increase with historical data through the first quarter of 2025), we estimate that the FY 2026 IPPS market basket increase is 3.3 percent. Based on more recent data available as published in the FY 2026 IPPS/LTCH PPS final rule (that is, IGI's second quarter 2025 forecast of the productivity adjustment), the current estimate of the productivity adjustment for FY 2026 is 0.7 percentage point. Therefore, the final hospice payment update percentage for FY 2026 is 2.6 percent (0.2 percentage point higher than the proposed hospice payment update percentage). We note that while there are multiple offsetting factors contributing to differences in the forecasts underlying the proposed and final rules, the final FY 2026 IPPS market basket increase is slightly higher due to economic uncertainty.

Comment: Many commenters requested CMS make a one-time market basket adjustment of 4.9 percent to account for the cumulative shortfall in hospice payment rates due to forecast errors over FYs 2021 through 2025. Commenters also stated that because annual payment updates compound, the impact of forecast errors is cumulative. They further stated that Medicare hospice expenditures totaled about $27.5 billion in FY 2024 and so a 4.9 percent shortfall equates to roughly $1.3 billion in annual underpayments relative to what payments would have been with accurate market basket updates. Commenters also noted that skilled nursing facilities have received forecast error adjustments, including a 0.6 percentage point correction in FY 2024 and a 1.7 percentage points correction in FY 2025.

Commenters urged CMS to consider any and all opportunities to implement a one-time catch-up adjustment for hospice payments, as has been done in the past for other provider types in extraordinary circumstances to rectify cost disparities. Several commenters stated that if CMS is limited by statutory requirements to implement an adjustment for updating hospice payments that CMS work with Congress to include funding for a one-time market basket forecast error adjustment for hospice providers as a component of any end of year legislation taken up by the 119th Congress.

Response: We thank the commenters for their recommendations. The inpatient hospital market basket percentage increases are required by law to be set prospectively, which means that the update relies on a mix of both historical data for part of the period for which the update is calculated and forecasted data for the remainder. There is currently no mechanism to adjust for market basket forecast error in the hospice payment update. Furthermore, beginning in 1989, Congress gave hospices their first increase (20 percent) in reimbursement since 1986 and tied

future increases to the annual increase in the hospital market basket through a provision contained in the Omnibus Budget Reconciliation Act of 1989. While the projected IPPS hospital market basket updates for FY 2021 through FY 2024 (the last historical fiscal year) were under forecast, this was largely due to unanticipated inflationary and labor market pressures as the economy emerged from the COVID–19 PHE. The forecast error has been both positive and negative during past years, and over longer periods of time the cumulative forecast has not deviated significantly from the historical measures. Only considering a forecast error for years when the final inpatient hospital market basket percentage increase was lower than the actual inpatient hospital market basket percentage increase does not consider the numerous years that providers benefited from a forecast error. We understand that the market basket updates may differ from other overall inflation indexes such as the topline ECI, CPI, or PPI; however, we would reiterate that comparisons between these topline indexes are not comparable since they measure different mixes of products, services, or wages than reflected in the legislatively defined CMS IPPS hospital market basket.

Comment: Commenters recognized that CMS is statutorily required to apply the productivity adjustment based on the 10-year moving average of changes in annual economy-wide private nonfarm business total factor productivity; however, they expressed concerns about the magnitude and methodology of the adjustment. Commenters stated that the productivity adjustment largely reflects output growth driven by technology, capital investment, and process efficiencies—factors more applicable to industrial or tech-driven sectors. They remained concerned that this adjustment does not fairly reflect the nature of hospice care, which is fundamentally labor-intensive and not amenable to typical productivity gains. Other commenters expressed concern regarding the increase in the productivity adjustment for FY 2026 relative to prior years, noting that the average was 0.5 percent over the 2012 to 2025 time period as well as noting the upward trend with 0.2 percent in FY 2024, 0.5 percent in FY 2025, and 0.8 percent in FY 2026. They stated this volatility underscores the inconsistency of applying a uniform, economy-wide productivity factor across all sectors and highlights the financial strain it imposes on labor-intensive providers such as hospice and home health, which lack the ability to realize capital-based efficiencies.

A commenter stated CMS should elect to implement the most de minimis productivity adjustment that may be applied under current law as a component of the FY 2026 hospice rate update. Other commenters requested CMS reevaluate the productivity adjustment methodology to account for the unique structure of hospice care.

Response: Section 3401(g) of the Affordable Care Act mandated that, starting with FY 2013 (and in subsequent FYs), the hospice payment update percentage be annually reduced by changes in 10-year moving average growth in economy-wide private nonfarm business multi-factor productivity as specified in section 1886(b)(3)(B)(xi)(II) of the Act. We recognize the concerns of the commenters regarding the appropriateness of the productivity adjustment; however, we are required pursuant to section 1886(b)(3)(B)(xi)(II) of the Act to apply the specific productivity adjustment described here.

We have always made available on the CMS website the general method for calculating the productivity adjustment. This includes providing a link to the most recent BLS historical total factor productivity (TFP) (previously referred to as multifactor productivity) data (*http://www.bls.gov*), which allows interested parties to obtain historical TFP annual index levels for 1987 through 2024. We also provided the IGI projection model (*https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/medicareprogramratesstats/downloads/tfp_methodology.pdf*), which is used to derive annual TFP growth rates for 2025 and 2026. The annual index level derived from this method is then interpolated to quarterly levels, and the FY 2026 productivity adjustment is equal to the percent change in the 40-quarter moving average projected level for the period ending September 30, 2026 relative to the 40-quarter moving average projected level for the period ending September 30, 2025. We believe our methodology for the productivity adjustment is consistent with section 1886(b)(3)(B)(xi)(II) of the Act which states that the productivity adjustment is equal to the 10-year moving average of changes in annual economy-wide private nonfarm business multi-factor productivity (as projected by the Secretary for the 10-year period ending with the applicable fiscal year, year, cost reporting period, or other annual period).

At the time of this final rule, the FY 2026 productivity adjustment reflects BLS historical TFP data through 2024 (released on March 21, 2025) and IGI's forecasted TFP growth for 2025 and 2026. The average annual growth rate of historical TFP published by BLS for 2017 through 2024 is currently 0.9 percent and IGI is projecting average TFP growth of about 0.0 percent for 2025 and 2026 based on IGI's second-quarter 2025 forecast. Combining the historical and projected TFP data over the entire 10-year time period results in a compound annual growth rate of TFP of 0.7 percent for 2026. The productivity adjustment (based on the 10-year period ending with FY 2026) for the FY 2026 IPPS/LTCH final rule is 0.1 percentage point lower than in the FY 2026 IPPS/LTCH proposed rule and primarily reflects the incorporation of a revised outlook from IGI that has lower projected economic growth over 2025 and 2026. The 0.7-percent productivity adjustment in the FY 2026 final rule is larger than the productivity adjustment in prior final rules for FY 2023 and FY 2024 mainly due to the incorporation of updated BLS historical data.

Final Decision: We are finalizing the hospice payment update using the methodology outlined. Based on the more recent IGI second quarter 2025 forecast with historical data through the first quarter of 2025 the 2023-based IPPS market basket increase factor for FY 2026 is 3.3 percent. The FY 2026 productivity adjustment based on the more recent IGI second quarter 2025 forecast is 0.7 percentage point. Therefore, CMS is finalizing for FY 2026, a hospice payment update percentage of 2.6 percent (3.3 percent market basket percentage increase less a 0.7 percentage point productivity adjustment).

3. Final FY 2026 Hospice Payment Rates

There are four payment categories that are distinguished by the location and intensity of the hospice services provided. The base payments are adjusted for geographic differences in wages by multiplying the labor share, which varies by category, of each base rate by the applicable hospice wage index. A hospice is paid the RHC rate for each day the beneficiary is enrolled in hospice, unless the hospice provides CHC, IRC, or GIP. CHC is provided during a period of patient crisis to maintain the patient at home; IRC is short-term care to allow the usual caregiver to rest and be relieved from caregiving; and GIP care is intended to treat symptoms that cannot be managed in another setting.

As discussed in the FY 2016 Hospice Wage Index and Rate Update final rule (80 FR 47172), we implemented two different RHC payment rates, one RHC rate for the first 60 days and a second RHC rate for days 61 and beyond. In addition, in that final rule, we implemented a Service Intensity Add-On (SIA) payment for RHC when direct patient care is provided by a registered nurse (RN) or social worker during the last 7 days of the beneficiary's life. The SIA payment is equal to the CHC hourly rate multiplied by the hours of nursing or social work provided (up to 4 hours total) that occurred on the day of service if certain criteria are met. To maintain budget neutrality, as required under section 1814(i)(6)(D)(ii) of the Act, the new RHC rates were adjusted by an SIA budget neutrality factor (SBNF). The SBNF is used to reduce the overall RHC rate in order to ensure that SIA payments are budget neutral. At the beginning of every FY, SIA utilization is compared to the prior year in order calculate a budget neutrality adjustment. For FY 2026, the proposed SIA budget neutrality factor was 1.0005 for RHC days 1–60 and 1.0001 for RHC days 61+. With updated FY 2024 claims data (as of May 9, 2025), the final SIA budget neutrality factor is 1.0005 for days 1–60 and 1.0001 for RHC days 61+.

In the FY 2017 Hospice Wage Index and Rate Update final rule (81 FR 52156), we initiated a policy of applying a wage index standardization factor to hospice payments in order to eliminate the aggregate effect of annual variations in hospital wage data. For FY 2026 hospice rate setting, we are continuing our longstanding policy of using the most recent data available. Specifically, we proposed to use FY 2024 claims data (as of January 13, 2025) for the FY 2026 payment rate updates. We noted that the budget neutrality factors and payment rates would be updated with more complete FY 2024 claims data for the final rule. With updated claims data (as of May 9, 2025), the wage index standardization factor was calculated by simulating total payments using FY 2024 hospice utilization claims data with the FY 2025 wage index (pre-floor, pre-reclassified hospital wage index with the hospice floor and the 5 percent cap on wage index decreases) and FY 2025 payment rates and compare it to our simulation of total payments using FY 2024 utilization claims data, the FY 2026 hospice wage index (pre-floor, pre-reclassified hospital wage index with hospice floor, and the 5 percent cap on wage index decreases) and FY 2025 payment rates. By dividing payments for each level of care (RHC days 1 through 60, RHC days 61+, CHC, IRC, and GIP) using the FY 2025 wage index and FY 2025 payment rates for each level of care by the FY 2026 wage index and FY 2025 payment rates, we obtain a wage index standardization factor for each level of care. The final wage index standardization factors using FY 2024 claims data (as of May 9, 2025) for each level of care are shown in Tables 1 and 2.

The final FY 2026 RHC payment rates are shown in Table 1. The final FY 2026 payment rates for CHC, IRC, and GIP are shown in Table 2.

TABLE 1—FINAL FY 2026 HOSPICE RHC PAYMENT RATES

Code	Description	FY 2025 payment rates	SIA budget neutrality factor	Wage index standardization factor	FY 2026 hospice payment update	FY 2026 payment rates
651	Routine Home Care (days 1–60)	$224.62	1.0005	1.0011	1.026	$230.83
651	Routine Home Care (days 61+)	176.92	1.0001	1.0022	1.026	181.94

TABLE 2—FINAL FY 2026 HOSPICE CHC, IRC, AND GIP PAYMENT RATES

Code	Description	FY 2025 payment rates	Wage index standardization factor	FY 2026 hospice payment update	FY 2026 payment rates
652	Continuous Home Care Full Rate = 24 hours of care.	$1,618.59	1.0082	1.026	$1,674.29 ($69.76 per hour).
655	Inpatient Respite Care	518.78	1.0004	1.026	$532.48.
656	General Inpatient Care	1,170.04	0.9995	1.026	$1,199.86.

Sections 1814(i)(5)(A) through (C) of the Act require that hospices submit quality data on measures to be specified by the Secretary. In the FY 2012 Hospice Wage Index and Rate Update final rule (76 FR 47320 through 47324), we implemented a Hospice Quality Reporting Program (HQRP) as required by those sections. Hospices were required to begin collecting quality data in October 2012 and submit those quality data in 2013. Section 1814(i)(5)(A)(i) of the Act requires that beginning FY 2014 through FY 2023, the Secretary shall reduce the market basket percentage increase by 2 percentage points for any hospice that does not comply with the quality data submission requirements with respect to that FY. Section 1814(i)(5)(A)(i) of the Act was amended by section 407(b) of Division CC, Title IV of the Consolidated Appropriations Act (CAA), 2021 (Pub. L. 116–260) to change the payment reduction for failing to meet hospice quality reporting requirements from 2 to 4 percentage points. Depending on the amount of the annual update for a particular year, a reduction of 4 percentage points beginning in FY 2024 makes a negative payment update more likely than the previous 2 percent reduction. This could result in the annual market basket update being less than zero percent for a FY and may result in payment rates that are less than payment rates for the preceding FY. We applied this policy beginning with the FY 2024 Annual Payment Update (APU), which we based on CY 2022 quality data. Therefore, the final FY 2026 rates for hospices that do not submit the required quality data would be updated by −1.4 percent, which is the final FY 2026 hospice payment update percentage of 2.6 percent minus 4 percentage points. The final payment rates for hospices that do not submit the required quality data are shown in Tables 3 and 4.

TABLE 3—FINAL FY 2026 HOSPICE RHC PAYMENT RATES FOR HOSPICES THAT DO NOT SUBMIT THE REQUIRED QUALITY DATA

Code	Description	FY 2025 payment rates	SIA budget neutrality factor	Wage index standardization factor	FY 2026 hospice payment update of 2.6% − 4 percentage points = − 1.4%	FY 2026 payment rates
651	Routine Home Care (days 1–60)	$224.62	1.0005	1.0011	0.986	$221.83
651	Routine Home Care (days 61+)	176.92	1.0001	1.0022	0.986	174.84

TABLE 4—FINAL FY 2026 HOSPICE CHC, IRC, AND GIP PAYMENT RATES FOR HOSPICES THAT DO NOT SUBMIT THE REQUIRED QUALITY DATA

Code	Description	FY 2025 payment rates	Wage index standardization factor	FY 2026 hospice payment update of 2.6% − 4 percentage points = − 1.4%	FY 2026 payment rates
652	Continuous Home Care Full Rate = 24 hours of care.	$1,618.59	1.0082	0.986	$1,609.02 ($67.04 per hour).
655	Inpatient Respite Care	518.78	1.0004	0.986	511.72.
656	General Inpatient Care	1,170.04	0.9995	0.986	1,153.08.

We received two public comments on our proposals for the FY 2026 hospice payment rates. A summary of the comments and our responses to those comments are as follows:

Comment: A commenter expressed concern with the enforcement of the 4 percent payment reduction for hospices that fail to meet reporting requirements. This commenter stated that the strict enforcement of this penalty could disproportionately impact smaller or resource-limited providers and ultimately affect vulnerable patients.

Another commenter recommended that the Service Intensity Add-On (SIA) payment be expanded to include social work visits beyond the final 7 days to improve holistic end-of-life care.

Response: We appreciate the commenters' recommendations. However, these comments are outside the scope of the FY 2026 Hospice Wage Index and Payment Update proposed rule as we did not propose any changes to these policies. Furthermore, the 4 percent payment reduction for failing to meet hospice quality reporting requirements is required by statute. Any changes to these policies would need to be proposed through rulemaking or updated through statute.

Final Decision: We are finalizing the FY 2026 hospice payment rates, SIA budget neutrality factor, and wage index standardization factors. The final FY 2026 RHC payment rates are shown in Table 1. The final FY 2026 payment rates for CHC, IRC, and GIP are shown in Table 2. The final payment rates for hospices that do not submit the required quality data are shown in Tables 3 and 4.

4. Final Hospice Cap Amount for FY 2026

As discussed in the FY 2016 Hospice Wage Index and Rate Update final rule (80 FR 47183), we implemented changes mandated by the IMPACT Act of 2014 (Pub. L. 113–185, Oct. 6, 2014). Specifically, we stated that for accounting years that end after September 30, 2016, and before October 1, 2025, the hospice cap is updated by the hospice payment update percentage rather than using the consumer price index for all urban consumers (CPI–U). Division CC, section 404 of the CAA, 2021 extended the accounting years impacted by the adjustment made to the hospice cap calculation until 2030. In the FY 2022 Hospice Wage Index and Rate Update final rule (86 FR 42539), we finalized conforming regulation text changes at § 418.309 to reflect the provisions of the CAA, 2021. Division P, section 312 of the CAA, 2022 (Pub. L. 117–103) amended section 1814(i)(2)(B) of the Act and extended the provision that mandates the hospice cap be updated by the hospice payment update percentage (the inpatient hospital market basket percentage increase reduced by the productivity adjustment) rather than the CPI–U for accounting years that end after September 30, 2016 and before October 1, 2031. Division FF, section 4162 of the CAA, 2023 (Pub. L. 118–328) amended section 1814(i)(2)(B) of the Act and extended the provision that currently mandates the hospice cap be updated by the hospice payment update percentage (the inpatient hospital market basket percentage increase reduced by the productivity adjustment) rather than the CPI–U for accounting years that end after September 30, 2016 and before October 1, 2032. Division G, Section 308 of the Consolidated Appropriations Act, 2024 (CAA, 2024) (Pub. L. 118–42) extends this provision to October 1, 2033. Before the enactment of this provision, the hospice cap update was set to revert to the original methodology of updating the annual cap amount by the CPI–U beginning on October 1, 2032. Therefore, for accounting years that end after September 30, 2016, and before October 1, 2033, the hospice cap amount is updated by the hospice payment update percentage rather than the CPI–U. In the FY 2025 Hospice Wage Index and Rate Update final rule (89 FR 64202), as a result of the changes mandated by the CAA, 2024, we finalized conforming regulation text changes at § 418.309 to reflect the revisions at section 1814(i)(2)(B) of the Act.

The proposed hospice cap amount for the FY 2026 cap year was $35,292.51, which was equal to the FY 2025 cap amount ($34,465.34) updated by the proposed FY 2026 hospice payment update of 2.4 percent. We also proposed that if more recent data became available after the publication of the proposed rule and before the publication of this final rule (for example, a more recent estimate of the hospice payment update percentage), we would use such data, if appropriate, to determine the hospice cap amount in the FY 2026 final rule. Using the updated data, the final cap amount for the FY 2026 cap year will be $35,361.44 which is equal to the FY 2025 cap

amount ($34,465.34) updated by the final FY 2026 hospice payment update percentage of 2.6 percent.

We received eight public comments on our proposed update to the hospice cap for FY 2026. A summary of the comments and our responses to those comments are as follows:

Comment: A commenter expressed support for the proposed FY 2026 hospice cap amount.

Response: We thank this commenter for their support.

Comment: Most commenters opposed the proposed 2.4 percent update to the hospice cap amount for FY 2026. These commenters expressed concern that the proposed hospice cap update does not reflect the rising costs that hospices are currently facing. A commenter stated that the hospice cap warrants reevaluation to ensure it aligns with actual per-patient costs and does not disproportionately impact high-need populations. Another commenter recommended CMS reform the aggregate cap to account for patient mix, acuity, and regional cost differentials, ensuring that providers serving complex patients are not penalized. This commenter stated that the cap disproportionately penalizes providers caring for patients with non-cancer diagnoses; dual-eligible individuals requiring wraparound services and extended hospice stays; and vulnerable populations with limited access to caregivers or community support. The commenter also stated that even with the cap increase, many hospices will still exceed the limit due to factors beyond their control which creates disincentives to admit or retain high-need patients and exacerbates disparities in access to care. Finally, a commenter recommended that CMS abolish the hospice cap and stated that the hospice aggregate cap disincentivizes hospices from serving the most complex, high-need patients.

Response: We thank the commenters for their recommendations pertaining to the hospice cap; however, we are required by law to update the hospice cap amount from the preceding year by the hospice payment update percentage, in accordance with section 1814(i)(2)(B)(ii) of the Act. Therefore, we do not have the statutory authority to update the cap amount in a different manner nor account for patient mix, acuity, or regional cost differentials.

Final Decision: We are finalizing the update to the hospice cap amount for FY 2026 in accordance with statutorily mandated requirements.

B. Finalized Regulation Change to Admission to Hospice Care

The Medicare hospice benefit provides coverage for a comprehensive set of services described in section 1861(dd)(1) of the Act for individuals who are deemed ''terminally ill'' based on a medical prognosis that the individual's life expectancy is 6 months or less, as described in section 1861(dd)(3)(A) of the Act. As such, section 1814(a)(7)(A) of the Act requires the individual's attending physician (if the patient designates an attending physician) and hospice medical director (or physician member of the interdisciplinary group (IDG)) to certify in writing at the beginning of the first 90-day period of hospice care that the individual is ''terminally ill'' based on the physician's or medical director's clinical judgment regarding the normal course of the individual's illness. In a subsequent 90- or 60-day period of hospice care, only the hospice medical director or the physician member of the IDG recertifies at the beginning of the period that the patient is terminally ill based on such clinical judgment.

Operation Restore Trust (ORT), a government initiative that began in 1995, coordinated with the Centers for Medicare & Medicaid Services (CMS), the Office of the Inspector General (OIG), and the Administration on Aging (AoA) to identify vulnerabilities in the Medicare program and to pursue ways to reduce Medicare's exposure to fraud and abuse. Through audits, ORT identified several areas of weakness in the hospice benefit, primarily in the area of hospice eligibility. In response to concerns raised by ORT regarding beneficiaries who had been receiving hospice care for more than 210 days but who were later determined to have not been eligible [3] and to reduce Medicare exposure to abusive practices, the FY 2006 Medicare Program; Hospice Care Amendments final rule (70 FR 70532, 70535, 70547) added a new § 418.25, ''Admission to hospice care,'' which established specific requirements that must be met before a hospice provider admits a patient to its care.

Section 418.25(a) requires that the hospice admit a patient only on the recommendation of the medical director (or the physician designee, as defined in § 418.3) in consultation with, or with input from, the patient's attending physician (if any). Section 418.25(b) sets out the information that the hospice medical director (or the physician designee, as defined in § 418.3) must consider in reaching a decision to certify that the patient is terminally ill. Section 418.25(b) is not the only regulation that discusses the certification of terminal illness. Section 418.22(c)(1) sets forth the sources of the certification of terminal illness and § 418.102(b) provides the standard for the initial certification of terminal illness in the condition of participation (CoP) for hospice medical directors. However, while each of these regulations pertains to the determination that a patient is terminally ill, they do not align regarding the physicians who can make these determinations.

In particular, § 418.25 only describes any of the two physicians on the recommendation of whom the hospice may admit a patient: the medical director or the physician designee (in addition to the patient's attending physician, if any). However, the payment certification of terminal illness and medical director CoP regulations at §§ 418.22(c)(1)(i) and 418.102(b), respectively, list any of three physicians who provide the written certification of terminal illness: the medical director of the hospice, the physician designee, or physician member of the hospice IDG.

Several out of scope comments were received regarding the FY 2025 Hospice Wage Index and Rate Update final rule (89 FR 64231), specifically requesting that the physician member of the IDG be added to the hospice admission regulation at § 418.25. Specifically, commenters requested that the language regarding which physicians can make determinations for hospice admission align with current certification requirements and CoPs. We did not make a change to § 418.25 in the FY 2025 hospice final rule as we did not propose this change.

We agree with the commenters that our regulations should consistently describe the physicians who can certify terminal illness and determine patient admission to hospice care. Accordingly, to align with the current payment and CoP regulations at §§ 418.22(c)(1)(i) and 418.102(b), respectively, we proposed to add the text ''or the physician member of the hospice interdisciplinary group'' at § 418.25(a) and (b) to indicate that, in addition to the medical director or physician designee, the physician member of the hospice IDG may also determine admission to hospice care. We noted that we believe aligning the language at § 418.25(a) and (b) with the language at §§ 418.102(b) and 418.22(c)(1)(i) would allow for greater

[3] Operation Restore Trust: Review of Medicare Hospice Eligibility at the San Diego Hospice Corporation *https://oig.hhs.gov/reports/all/1997/operation-restore-trust-review-of-medicare-hospice-eligibility-at-the-san-diego-hospice-corporation/.*

consistency between key components of hospice regulations and policies.

We received 31 public comments on our proposed changes to § 418.25(a) and (b). A summary of the comments and our responses to those comments are as follows:

Comment: Commenters overwhelmingly supported the proposal to add the physician member of the hospice IDG to § 418.25(a) and (b) and a few commenters expressed appreciation that CMS was responsive to the out of scope requests provided in the FY 2025 Hospice Wage Index and Rate Update final rule (89 FR 64231). Specifically, commenters stated that the regulation change would reduce ambiguity and improve clarity, leading to improved patient access to hospice care; reduce delays in services; improve timeliness of hospice services; improve accurate payment determinations; prevent inappropriate hospice citations; and align language with hospice certification payment requirements and CoPs.

Response: We thank commenters for their support.

Comment: We received a comment that opposed the addition of the physician member of the hospice IDG due to concerns that such a physician may materially benefit from recommending hospice if the physician has significant ownership in the for-profit hospice.

Response: We appreciate the concern raised; however, we would like to remind readers that § 418.25 simply aligns the admission process requirements with the certification requirements. The certification source for certifying a patient for hospice at § 418.22(c) includes the physician member of the IDG and also requires the individual's attending physician, if the individual has one, to certify the individual for hospice in the initial 90-day certification for hospice admission. Additionally, a patient must still meet eligibility requirements under § 418.20. The text change aligns language between payment policies and the CoPs in order to reduce ambiguity.

Comment: Several commenters requested clarification regarding whether the proposed regulatory changes to § 418.25(a) and (b) would also apply to § 418.26 (Discharge from hospice care) or whether we would be proposing this change (and include additional physician types) in future rulemaking. Some of these commenters requested that the same proposed physician language in § 418.25 be applied to § 418.26 for consistency and clarity, to improve timely discharge situations, and to further align hospice regulatory language.

Response: We thank commenters for their comments and recommendations. CMS is only finalizing the proposed changes to § 418.25(a) and (b) and is not amending § 418.26. We may consider adding ''physician member of the interdisciplinary group'' or additional physician types to § 418.26 in future rulemaking.

Comment: A commenter requested allowing nurse practitioners (NPs) and physician assistants (PAs) to certify a beneficiary as terminally ill.

Response: We thank this commenter for their suggestion; however, allowing NPs and PAs to certify a beneficiary as terminally ill is not permitted under the statute.

Final Decision: After consideration of public comments, we are finalizing our proposal to add the text ''or the physician member of the hospice interdisciplinary group'' to § 418.25(a) and (b) to indicate that, in addition to the medical director or physician designee, the physician member of the hospice IDG may also determine admission to hospice care.

C. Finalized Clarifying Regulation Change Regarding Face-to-Face Attestation

The Medicare Program; Home Health Prospective Payment System Rate Update for Calendar Year 2011; Changes in Certification Requirements for Home Health Agencies and Hospices final rule (CY 2011 HH PPS final rule) implemented the requirements in section 1814(a)(7)(D) of the Act, as added by section 3132(b) of the Affordable Care Act (75 FR 70435). Subclause (i) of section 1814(a)(7)(D) requires that on and after January 1, 2011, a hospice physician or nurse practitioner (NP) must have a face-to-face encounter with a hospice patient to determine the patient's continued eligibility for hospice care prior to the 180-day recertification, and prior to each subsequent recertification. Section 1814(a)(7)(D)(i) also requires that the hospice physician or NP attest that such a visit took place, in accordance with procedures established by the Secretary. Additionally, as existing regulatory text at § 418.22 requires, if the face-to-face encounter was not performed by the certifying physician, the attestation of the physician or nurse practitioner who performed the face-to-face encounter shall state that the clinical findings of that visit were provided to the certifying physician for use in determining continued eligibility for hospice care. These requirements were codified at § 418.22 to ensure that a hospice patients' continued eligibility is appropriately assessed through a face-to-face encounter conducted by either a hospice physician or NP.

As explained in the CY 2011 HH PPS final rule, the regulation at § 418.22(b)(4) set forth that the physician or NP who performs the face-to-face encounter with the patient must attest in writing that he or she had a face-to-face encounter with the patient and, at that time, set forth that the attestation of the *nurse practitioner* shall state that the clinical findings of that visit were provided to the certifying physician, for use in determining whether the patient continues to have a life expectancy of 6 months or less, should the illness run its normal course. Further, the regulation set forth that the attestation, its accompanying signature, and the date signed, must be a separate and distinct section of, or an addendum to, the recertification form, and must be clearly titled (75 FR 70463).

In the FY 2012 Hospice Wage Index final rule (76 FR 47314), as a result of interested parties' concerns regarding access risks resulting from the policy implemented in the CY 2011 HH PPS final rule, we finalized that any hospice physician can perform the face-to-face encounter regardless of whether that physician recertifies the patient's terminal illness and composes the recertification narrative. Additionally, we amended the regulatory text at § 418.22(b)(4) to provide that the attestation of the NP *or a non-certifying hospice physician* shall state that the clinical findings of that encounter were provided to the certifying physician, for use in determining continued eligibility for hospice.

In that final rule, however, we inadvertently omitted from the regulatory text at § 418.22(b)(4) the explicit requirements that the attestation include the accompanying signature of the practitioner who performed the -face encounter, and the date signed. While the CY 2011 HH PPS final rule regulatory text required the hospice physician or the NP conducting the encounter to attest to its occurrence, including the date and their signature, the unintentional omission of this explicit requirement in the FY 2012 Hospice Wage Index final rule led to discrepancies in documentation practices and introduced potential ambiguity into compliance requirements along with inconsistencies in implementation among hospice providers. Specifically, the lack of clarity regarding the full attestation requirements complicated documentation standards and audit processes, led to confusion about the

expectations for what elements the attestation should minimally include, and thereby undermined of the intent of the original statute and rule to require verifiable documentation of appropriately assessed continued eligibility.

As such, we proposed to amend § 418.22(b)(4) to set forth that the physician, or NP who performs the face-to-face encounter attest that the face-to-face encounter occurred, and the attestation must include the signature of the physician or NP who conducted the face-to-face encounter and the date it was signed. Further, we proposed that the attestation, its accompanying signature, and the date signed must be a separate and distinct section of, or an addendum to, the recertification form, and must be clearly titled. With these proposals, we sought to realign the regulatory text at § 418.22(b)(4) with the original intent of the CY 2011 HH PPS final rule and the statutory requirement in section 1814(a)(7)(D)(i)(I) of the Act.

Accordingly, we proposed to clarify the current regulation at § 418.22(b)(4) as follows: The physician or nurse practitioner who performs the face-to-face encounter with the patient described in paragraph (a)(4) of this section must attest in writing that he or she had a face-to-face encounter with the patient, including the date of that visit. The attestation must include the physician's or nurse practitioner's signature and the date it was signed. The attestation, its accompanying signature, and the date signed, must be a separate and distinct section of, or an addendum to, the recertification form, and must be clearly titled. If the face-to-face encounter was not performed by the certifying physician, the attestation of the physician or nurse practitioner who performed the face-to-face encounter shall state that the clinical findings of that visit were provided to the certifying physician for use in determining continued eligibility for hospice care.

We noted that these additions would help to resolve current ambiguities, improve documentation standards, and promote consistent implementation across providers.

In total, we received 26 public comments on our proposed clarification of the regulation text regarding the face-to-face attestation. The following is a summary of the comments we received, our responses, and the final decision.

Comment: Several commenters supported the proposed regulatory text changes at § 418.22(b)(4), citing that a more detailed face-to-face encounter attestation process will strengthen program integrity. Commenters also stated the proposed attestation changes are already supported by hospice electronic medical records, reflect the current practice at many hospices, and are not expected to disrupt operations.

Response: We thank the commenters for this feedback.

Comment: A few commenters requested that CMS work with Congress to expand telehealth flexibility for face-to-face recertification.

Response: We appreciate the commenters' recommendations; however, these comments are outside the scope of the proposed rule. Please note that section 2207(f) of the Full-Year Continuing Appropriations and Extensions Act, 2025 (Pub. L. 119–4, March 15, 2025), amended section 1814(a)(7)(D)(i)(II) of the Act and extended the use of telehealth by a hospice physician or hospice nurse practitioner to conduct a face-to-face encounter for the sole purpose of hospice recertification through September 30, 2025.

Comment: A commenter stated Advanced Practice Registered Nurses (APRN) should be permitted to both perform and sign the attestation when conducting the face-to-face encounter to reduce redundancy, improve timeliness, and enhance access to care especially given access issues in rural areas and their scope of practice under state law. As such, this commenter strongly encouraged CMS to revise the regulation to authorize APRNs, within their scope of practice, to both conduct and sign the face-to-face encounter attestation for hospice recertification.

Response: We thank the commenter and acknowledge the critical role APRNs play in hospice care delivery. We remind commenters that in accordance with subclause (i) of section 1814(a)(7)(D) of the Act, a hospice physician or NP may conduct a face-to-face encounter with a hospice patient to determine the patient's continued eligibility for hospice care prior to the 180-day recertification, and prior to each subsequent recertification. However, the statute limits the practitioners who may conduct a face-to-face, and thereby does not permit other APRNs such as clinical nurse specialists (CNS), certified registered nurse anesthetists (CRNA), or certified nurse midwives (CNM) to perform this function.

Comment: A few commenters noted that the requirement for attesting that findings were shared with the certifying physician is redundant given existing narrative requirements. Specifically, commenters stated that § 418.22(b)(3)(v) already require the certifying physician's narrative to include an explanation of why the clinical findings of the face-to-face encounter support a life expectancy of 6 months or less, and that it would not be possible for the certifying physician to include this in the narrative if the physician was not provided with the clinical findings from the encounter (contained in the clinical note from the encounter).

Response: While we appreciate this comment, it is outside the scope of the proposal in the CY 2026 hospice proposed rule. We may consider this issue in future rulemaking.

Comment: While there was agreement that the proposed clarification to the regulation text at § 418.22(b)(4) requiring the signature and date of the signature be included with the face-to-face attestation will increase the integrity of this process, the majority of the commenters believe that implementation of this proposal would increase provider documentation burden. Commenters contend that the attestation process should prioritize appropriate clinical oversight rather than introduce administrative barriers that could delay care for vulnerable patients. Commenters suggested this proposal may result in a potential increase in delayed care for the most vulnerable patient populations. Additionally, several commenters remarked that the proposed attestation formatting requirements introduce an increase in audit vulnerability, compliance pitfalls and technical denials. They stated flexibility should be permitted, especially due to EMR constraints and costs, and that CMS should remove the proposed specific formatting requirement for face-to-face attestations.

Response: We appreciate these comments and agree that regulatory requirements should support, rather than hinder, timely access to appropriate hospice care. We also recognize the importance of balancing program integrity with administrative feasibility and remain committed to employing documentation requirements that do not impede care delivery. Additionally, we agree with commenters who pointed out that we have historically allowed hospices discretion in how documentation is structured, including for example, with the hospice election statement and addendum.

Comment: Several interested parties requested that CMS consider allowing a signed clinical note to serve as a substitute to a separate attestation that the face-to-face encounter occurred, highlighting that the statutory intent under section 1814(a)(7)(D)(i) of the Act is met if signed and dated clinical

documentation clearly demonstrates that the encounter occurred and is filed in the medical record.

Response: Section 1814(a)(7)(D)(i) of the Act specifies that the medical record must include evidence that a face-to-face encounter occurred prior to each recertification for hospice services. While CMS previously required a separate attestation to ensure that this statutory requirement was met, we recognize the burden in requiring a separate attestation when the information is already documented within a signed and dated clinical note. Therefore, we believe the statutory requirement is met through the signed and dated clinical note, without an additional attestation. CMS generally aims to reduce burden when appropriate, and we appreciate commenters bringing this to our attention.

Final Decision: In response to commenters' aforementioned concerns regarding potential administrative burden, and CMS' goal to maintain the validity of the recertification process, we are finalizing a modification to the regulation text at § 418.22(b)(4) to clarify that the attestation requirement may be fulfilled by not only a clearly titled section of or an addendum to the recertification form, but also by a signed and dated clinical note within the medical record that documents clear indication that the face-to-face encounter occurred and includes the date of the visit, the signature of the practitioner who conducted the face-to-face encounter, and the date of the signature.

The proposed revisions to § 418.22(b)(4) align with our proposal to implement a revised attestation policy. As we stated in the proposed rule, our goal remains to resolve ambiguities that stem from prior rulemaking by clarifying that the attestation is identifiable and verifiable and therefore, must include the signature and date of the practitioner who conducted the face-to-face encounter in accordance with the statutory requirement at section 1814(a)(7)(D)(i) of the Act. The objective in the aforementioned revision to allow the face-to-face clinical note to serve as meeting the attestation requirement also achieves the regulatory intent that was first implemented in the CY 2011 HH PPS final rule and amended in the FY 2012 Hospice Wage Index final rule, as the clinical note still requires a dated signature from the practitioner who conducted the face-to-face encounter in order to allow clear identification of the attestation within the medical record. Moreover, a dated signature on the face-to-face clinical note serves to meet the definition of a medical attestation since it is a formal statement by a qualified practitioner verifying the accuracy of medical documentation which would include the clinical findings of the face-to-face encounter, the date of the visit, and the signature of the physician or nurse practitioner who conducted the face-to-face encounter, and the date of the signature. Given that these changes collectively address interested party concerns and provide increased clarity and standardization, while also preserving the statutory requirement at section 1814(a)(7)(D)(i) of the Act that a face-to-face encounter occur and be sufficiently documented by the practitioner who conducted said visit for each recertification for continued eligibility, these revisions fall within the scope of what a reasonable commenter would have understood from the FY 2026 Hospice proposed rule.

Therefore, we are finalizing a revision to the regulation text at § 418.22(b)(4) to state, the physician or nurse practitioner who performs the face-to-face encounter with the patient described in paragraph (a)(4) must attest in writing that he or she had a face-to-face encounter with the patient, including the date of that visit. The attestation must include the physician's or nurse practitioner's signature and the date it was signed. The attestation could be a separate and distinct section of, or an addendum to, the recertification or the signed and dated face-to-face clinical note itself, as long as said clinical note indicates the face-to-face encounter occurred, and includes the clinical findings of the face-to-face encounter, the date of the visit, the signature of the physician or nurse practitioner who conducted the face-to-face encounter, and the date of the signature. If the attestation of the nurse practitioner or a non-certifying hospice physician is a separate and distinct section of, or an addendum to, the recertification, the attestation shall state that the clinical findings of that visit were provided to the certifying physician for use in determining continued eligibility for hospice care.

D. Technical Regulations Text Change to Certification of Terminal Illness: Face-to-Face Encounter

In this final rule, we include a technical change that conforms the regulatory text at § 418.22(a)(4)(ii) with its underlying statute at section 1814(a)(7)(D)(i)(II) of the Act by changing the date ''December 31, 2024'' to ''September 30, 2025''. We inadvertently omitted this date change in the proposed rule. A discussion of this change is included in section IV. of this final rule, Waiver of Proposed Rulemaking.

E. Updates for the Hospice Quality Reporting Program (HQRP)

1. Background and Statutory Authority

Section 1814(i)(5) of the Act requires the Secretary to establish and maintain a quality reporting program for hospices. The Hospice Quality Reporting Program (HQRP), consisting of Hospice Item Set (HIS), administrative data, and Consumer Assessment of Healthcare Providers and Systems (CAHPS®), Hospice Survey, specifies reporting requirements that hospices complete and submit a standardized set of items for each patient to capture patient-level data, regardless of payer or patient age (§ 418.312(b)). Beginning with FY 2014, section 1814(i)(5) of the Act requires the Secretary to reduce the market basket update by 2 percentage points for those hospices failing to meet quality reporting requirements. Section 407(b) of Division CC, Title IV of the Consolidated Appropriations Act (CAA), 2021 amended section 1814(i)(5)(A)(i) of the Act to change the payment reduction for failing to meet hospice quality reporting requirements from 2 to 4 percentage points beginning in FY 2024 for any hospice that does not comply with the submission requirements above for that FY. In the FY 2024 Hospice final rule, we codified the application of the 4-percentage point payment reduction for failing to meet hospice quality reporting requirements and set completeness thresholds at § 418.312(j).

Depending on the amount of the annual update for a particular year, a reduction of 4 percentage points beginning in FY 2024 could result in the annual market basket update being less than zero percent for a FY and may result in payment rates that are less than payment rates for the preceding FY. Any reduction based on failure to comply with the reporting requirements, as required by section 1814(i)(5)(B) of the Act, would apply only for the specified year.

In the FY 2014 Hospice Wage Index and Payment Rate Update final rule (78 FR 48234, 48257 through 48262), and in compliance with section 1814(i)(5)(C) of the Act, we finalized a new standardized patient-level data collection vehicle called the Hospice Item Set (HIS). We also finalized the specific collection of data items that support eight consensus-based entity (CBE)-endorsed measures for hospice.

In the FY 2015 Hospice Wage Index and Payment Rate Update final rule (79

FR 50452), we finalized national implementation of the CAHPS® Hospice Survey, a component of the CMS HQRP which is used to collect data on the experiences of hospice patients and the primary caregivers listed in their hospice records. Readers who want more information about the development of the survey, originally called the Hospice Experience of Care Survey, may refer to the FY 2014 and FY 2015 Hospice Wage Index and Payment Update final rules (78 FR 48234 and 79 FR 50452, respectively) or to *https://www.hospicecahpssurvey.org/.* National implementation commenced January 1, 2015. We adopted eight CAHPS® survey-based measures for the CY 2018 data collection period and for subsequent years. These eight measures are publicly reported on the Care Compare website.

In the FY 2016 Hospice Wage Index and Rate Update final rule (80 FR 47142, 47186 through 47188), we finalized the policy for retention of HQRP measures adopted for previous payment determinations and seven factors for removal. In that same final rule, we discussed how we would provide public notice through rulemaking of measures under consideration for removal, suspension, or replacement. We also stated that if we had reason to believe continued collection of a measure raised potential safety concerns, we would take immediate action to remove the measure from the HQRP and not wait for the annual rulemaking cycle. The measures would be promptly removed, and we would immediately notify hospices and the public of such a decision through the usual HQRP communication channels, including but not limited to listening sessions, email notifications, Open Door Forums, and Web postings. In such instances, the removal of a measure would be formally announced in the next annual rulemaking cycle.

On August 31, 2020, we added correcting language to the FY 2016 Hospice Wage Index and Payment Rate Update and Hospice Quality Reporting Requirements; Correcting Amendment (85 FR 53679) hereafter referred to as the FY 2021 HQRP Correcting Amendment. In the correcting amendment, we made updates to § 418.312 to correct technical errors identified in the FY 2016 Hospice Wage Index and Payment Rate Update final rule. Specifically, the FY 2021 HQRP Correcting Amendment (85 FR 53679) added paragraph (i) to § 418.312 to reflect our exemptions and extensions requirements for reporting, which were referenced in the preamble but inadvertently omitted from the regulations text. Thus, these exemptions or extensions can occur when a hospice encounters certain extraordinary circumstances.

In the FY 2017 Hospice Wage Index and Payment Rate Update final rule, we finalized the ''Hospice Visits When Death is Imminent'' measure pair (HVWDII, Measure 1 and Measure 2), effective April 1, 2017. We refer the public to the FY 2017 Hospice Wage Index and Payment Rate Update final rule (81 FR 52144, 52163 through 52169) for a detailed discussion.

As stated in the FY 2019 Hospice Wage Index and Rate Update final rule (83 FR 38622, 38635 through 38648), we launched the ''Meaningful Measures Initiative'' (which identifies high priority areas for quality measurement and improvement) to improve outcomes for patients, their families, and providers while also reducing burden on clinicians and providers. The Meaningful Measures Initiative is not intended to replace any existing CMS quality reporting programs but will help such programs identify and select individual measures. The Meaningful Measures Initiative priority areas are intended to increase measure alignment across our quality programs and other public and private initiatives. Additionally, it will point to high priority areas where there may be gaps in available quality measures while helping to guide our efforts to develop and implement quality measures to fill those gaps. More information about the Meaningful Measures Initiative can be found at *https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/QualityInitiativesGenInfo/MMF/General-info-Sub-Page.html.*

In the FY 2022 Hospice Wage Index and Payment Rate Update final rule (86 FR 42552), we finalized two new measures using claims data: (1) Hospice Visits in the Last Days of Life (HVLDL); and (2) Hospice Care Index (HCI). We also removed the HVWDII measure, as it was replaced by HVLDL. We also finalized a policy that claims-based measures would use 8 quarters of data, which would allow CMS to publicly report on more hospices. Additionally, the rule indicated that public data reflecting hospices' reporting of the two new claims-based quality measures (QMs), the HVLDL and the HCI measures, would be available on the Care Compare/Provider Data Catalogue (PDC) web pages as of the August 2022 refresh.

In addition, we removed the seven HIS Process Measures from the program as individual measures, and ceased their public reporting because, in our view, the HIS Comprehensive Assessment Measure is sufficient for measuring care at admission without the seven individual process measures. In the FY 2022 Hospice Wage Index and Rate Update final rule (86 FR 42553), we finalized § 418.312(b)(2), which requires hospices to provide administrative data, including claims-based measures, as part of the HQRP requirements for § 418.306(b). In that same final rule, we provided CAHPS Hospice Survey updates.

In the FY 2023 and FY 2024 Hospice Wage Index final rules, we did not propose any new quality measures. However, we provided updates on already-adopted measures.

In the FY 2025 Hospice Wage Index final rule, the HQRP finalized two measures, including new data collection through the Hospice Outcomes and Patient Evaluation (HOPE) tool and plans for further development.

Table 5 shows the current quality measures in effect for the FY 2026 HQRP, which were updated and finalized in the FY 2025 Hospice Wage Index and Payment Rate Update final rule.

TABLE 5—QUALITY MEASURES IN EFFECT FOR THE FY 2026 HOSPICE QUALITY REPORTING PROGRAM

Hospice Quality Reporting Program
Hospice Items Set (HIS) and Hospice Outcomes and Patient Evaluation (HOPE)
Hospice and Palliative Care Composite Process Measure—Comprehensive Assessment Measure at Admission includes: 1. Patients Treated with an Opioid who are Given a Bowel Regimen 2. Pain Screening 3. Pain Assessment 4. Dyspnea Treatment 5. Dyspnea Screening

TABLE 5—QUALITY MEASURES IN EFFECT FOR THE FY 2026 HOSPICE QUALITY REPORTING PROGRAM—Continued

Hospice Quality Reporting Program
6. Treatment Preferences
7. Beliefs/Values Addressed (if desired by the patient)
Administrative Data, including Claims-based Measures
Hospice Visits in the Last Days of Life (HVLDL)
Hospice Care Index (HCI):
1. Continuous Home Care (CHC) or General Inpatient (GIP) Provided
2. Gaps in Skilled Nursing Visits
3. Early Live Discharges
4. Late Live Discharges
5. Burdensome Transitions (Type 1)—Live Discharges from Hospice Followed by Hospitalization and Subsequent Hospice Readmission
6. Burdensome Transitions (Type 2)—Live Discharges from Hospice Followed by Hospitalization with the Patient Dying in the Hospital
7. Per-beneficiary Medicare Spending
8. Skilled Nursing Care Minutes per Routine Home Care (RHC) Day
9. Skilled Nursing Minutes on Weekends
10. Visits Near Death
CAHPS Hospice Survey
CAHPS Hospice Survey:
1. Communication with Family
2. Getting Timely Help
3. Treating Patient with Respect
4. Emotional and Spiritual Support
5. Help for Pain and Symptoms
6. Training Family to Care for Patient
7. Care Preferences
8. Rating of this Hospice
9. Willing to Recommend this Hospice

2. Update on the Comprehensive Assessment at Admission Measure

We retained key items from the HIS in HOPE v1.0 and continue to collect data to inform the Comprehensive Assessment at Admission (CBE #3235) while gathering additional data to support new quality measures. The Comprehensive Assessment Measure assesses the proportion of patients for whom the hospice performed all seven care processes, as applicable, at admission.

First endorsed by the National Quality Forum (NQF) in July 2017, the measure was endorsed again by NQF in July 2021, and this measure endorsement has been extended through Fall 2026 under the new CBE, Battelle.

3. Update on Hospice Claims-Based Measures

In the FY 2022 Hospice Wage Index and Payment Rate Update final rule (86 FR 42552), we finalized two new measures using claims data: (1) Hospice Visits in the Last Days of Life (HVLDL); and (2) Hospice Care Index (HCI).

Our measure selection activities for the HQRP take into consideration input we receive from the CBE, as part of a pre-rulemaking process that we have established and are required to follow under section 1890A of the Act. The CBE convenes interested parties from multiple groups to provide CMS with recommendations on the Measures Under Consideration (MUC) list. This input informs how CMS selects certain categories of quality and efficiency measures as required by section 1890A(a)(3) of the Act. By February 1st of each year, the CBE must provide that input to CMS. On July 26, 2022, the CBE endorsed the claims-based HVLDL measure. More information can be found on the HQRP Quality Measure Development web page at *https://www.cms.gov/medicare/hospiceequality-reporting-program/quality-measure-development* and the HQRP Current Measures web page at *https://www.cms.gov/medicare/quality/hospice/current-measures.* In November 2024, HVLDL was sent to the CBE advisory group for endorsement extension. HVLDL was re-endorsed with conditions in February 2025 and is endorsed through 2027. We are considering respecifying HCI, see the Hospice Technical Expert Panel (TEP) and Caregiver Report on this web page at *https://www.cms.gov/medicare/quality/hospice/provider-and-stakeholder-engagement.*

We received two public comments on the Hospice Claims-based Measures. The following is a summary of the comments we received and our responses.

Comment: A commenter urged CMS to re-evaluate HVLDL to evaluate correlation of the measure with other disciplines and the new CAHPS satisfaction surveys to allow time for provider and TEP engagement. Another commenter encouraged CMS to revisit the HCI scoring methodology to more accurately reflect the care provided by hospices.

Response: We thank commenters for their recommendations and will take them into consideration as we consider the re-specification of HCI and updates to HVLDL.

4. Update on the HOPE Instrument and Public Reporting and Future Quality Measure (QM) Development

The HOPE assessment was developed as the new patient assessment tool to replace the HIS as part of the HQRP. HOPE was finalized in the FY 2025 Hospice Wage Index final rule (89 FR 64202) and once implemented in FY 2026 (October 1, 2025), will provide value to hospice providers, patients, and families. Additional information regarding HOPE and its associated costs and burden can be found in the FY 2025 Paperwork Reduction Act of 1995 (PRA) submission (CMS–10390; OMB Control Number: 0938–1153).

HOPE will provide assessment-based quality data to enhance the HQRP

through standardized data collection, provide a better understanding of patient care needs, contribute to the patient's plan of care, and provide additional clinical data that could inform future payment refinements.

We encourage providers and vendors to visit the HOPE Technical Information web page at *https://www.cms.gov/medicare/quality/hospice-quality-reporting-program/hospice-outcomes-and-patient-evaluation-hope-technical-information* for the latest updates and resources related to HOPE data submission specifications and other technical information. More detailed comprehensive training will be available on the HQRP Training and Education Library web page linked previously in this section.

As finalized in the FY 2025 Hospice Wage Index final rule (89 FR 64202), public reporting of the HOPE quality measures will be implemented no earlier than FY 2028. Data collected by hospices during the four quarters of CY 2026 (for example, Q 1, 2, 3 and 4 CY 2026) will be analyzed starting in CY 2027. We will inform the public of the decisions about whether CMS will report some or all of the quality measures publicly based on the findings of analysis of the CY 2026 data through future rulemaking. Providers will have the opportunity to preview HOPE data before it is publicly reported, with the first HOPE-based QM public reporting anticipated to be no earlier than November 2027 (FY 2028). Table 6 shows the anticipated schedule for HOPE public reporting, should CMS decide that this information will be publicly reported.

TABLE 6—ANTICIPATED HOPE PUBLIC EDUCATION, DATA COLLECTION, AND REPORTING

Key event	Time period
Provider Trainings for HOPE Implementation	Spring/Summer 2025.
Data Collection Begins	October 1, 2025.
CY 2026 Data Analyzed to Assess Quality and Completeness	Winter/Spring 2027.
Provider Preview Reports for HOPE Measure(s) Provided to Hospices *	Summer 2027.
Public Reporting of HOPE Measure(s) Begins *	Fall 2027.

* These dates are subject to change based on the quality and reportability of the data as determined based on CMS analyses; updates will be provided in the FY 2027 Hospice Rule.

Lastly, as stated in the FY 2022 Hospice Wage Index final rule (86 FR 42528), we continue to consider developing hybrid quality measures that could be calculated from multiple data sources, such as claims, HOPE data, or other data sources (for example, CAHPS Hospice Survey). We also intend to develop several quality measures based on information collected by HOPE after HOPE is implemented. More information on measure development can be found on the HQRP Quality Measure Development web page at *https://www.cms.gov/medicare/hospice-quality-reporting-program/quality-measure-development.*

We received 30 public comments on the HOPE Instrument and Public Reporting and Future Quality Measure (QM) Development. The following is a summary of the comments we received and our responses.

Comment: Many commenters raised concerns about the transition from HIS to the HOPE tool, slated to begin October 1, 2025. Commenters expressed concerns about the lack of technical readiness among providers and vendors due to some final technical specifications not yet being released as of the publication of the proposed rule and only one vendor call occurring in November 2024. Some commenters expressed concern about additional financial burden and potential delays with the transition to the new CMS submission and reporting system, which is set to be implemented concurrently with the HOPE tool. To account for these issues, many commenters suggested delaying HOPE implementation until 6 months after the final specifications and trainings have been released, with a few suggesting delaying implementation by a year, and waiving timeliness penalties for providers for the first two quarters of HOPE. Some commenters also suggested phasing in penalties over the course of HOPE implementation, up to three years, to allow time for providers to adjust to HOPE. A few commenters were supportive of the transition to HOPE and noted no concerns with the implementation timeline.

A few commenters requested additional updates to or clarifications about HOPE, including that CMS consider allowing telehealth for HOPE, requesting that CMS collect data on chaplain services using the Healthcare Common Procedure Coding System (HCPCS) codes for chaplains, and asking for clarification around Medicare Advantage payer source coding.

Response: We appreciate interested parties' input regarding the transition to the HOPE tool. In this final rule we have provided updates as to where providers and vendors can find current information about HOPE, including the HOPE Guidance Manual, HOPE Item Sets, and Data Submission Specifications as well as training for HOPE implementation. Although most HOPE items are derived from the original HIS items, we recognize that providers will be acclimating to a new tool and submission system as of October 1, 2025, and will take this transition into consideration. For example, we will monitor the first quarter of HOPE data collection (quarter 4 of 2025) and provide sub-regulatory guidance on when public reporting of the two HOPE measures will begin. We will closely monitor the first quarter of HOPE data and expect providers to submit accurate and complete HOPE data beginning on October 1, 2025. Regarding other suggestions about the HOPE instrument, we will take them into consideration, and if modifications to the HOPE instrument or HOPE implementation are made, we will propose them in future rulemaking.

Regarding the comment about payer source coding, the intent of Item A1400 is to identify all of the payers that the patient has regardless of whether the payer is expected or likely to provide reimbursement during the hospice stay. We are not changing this guidance for HOPE, since it remains the same as long-standing HIS guidance.

Comment: Many commenters raised concerns about the HOPE burden calculated in the finalized PRA package (CMS–10390; OMB Control Number: 0938–1153), noting that CMS used the median wage rather than the mean wage and used 2022 Bureau of Labor Statistics (BLS) data [4] rather than more recent 2024 BLS data. Commenters also believe in-person follow-up visits should be included in the estimated

[4] May 2022 National Occupational Employment and Wage Estimates, United States. *https://www.bls.gov/oes/2022/may/oes_nat.htm.*

burden. Due to these concerns, commenters felt CMS underestimated the burden of the HOPE tool on providers.

Response: We thank commenters for their input regarding the HOPE burden calculations. When this PRA package was finalized for HOPE (CMS–10390; OMB Control Number: 0938–1153), no comments were received regarding these concerns. However, when comparing the finalized burden calculations using 2022 BLS Median wages, we find that using the 2022 BLS Mean wages instead would have resulted in a 9.5 percent increase in the additional annual cost per hospice. If the data were updated using the 2024 BLS Median wages, this would have resulted in a 15.3 percent increase in the additional annual cost per hospice and using the 2024 BLS Mean wages would have resulted in 21.1 percent increase. We recognize these differences may be significant for hospices and these concerns will be taken into consideration in anticipation of the next PRA package submission for the HOPE tool in 2026. We also understand commenters' concerns about the potential staffing burdens of in-person visits, but remind commenters that we selected this requirement based on expert input regarding hospice best practices during the beta test that noted these visits align with their usual practices (*https://www.federalregister.gov/d/2024-16910/p-224*).

5. Update on the Transition to iQIES

In the FY 2020 Hospice Wage Index and Payment Rate Update final rule (84 FR 38484), we finalized migrating our systems for submitting and processing assessment data and the reporting system. Hospices are currently required to submit HIS data to CMS using the Quality Improvement and Evaluation System (QIES) Assessment and the Submission Processing (ASAP) system and obtain reports in the Certification and Survey Provider Enhanced Reports (CASPER) system. The FY 2020 Hospice Wage Index and Payment Rate Update final rule (84 FR 38484) finalized the proposal to migrate to a new single CMS submission and reporting system.

In the FY 2025 Hospice Wage Index and Payment Rate Update final rule (86 FR 64202), we finalized the HOPE tool to replace the HIS as part of the HQRP. Beginning on October 1, 2025, the new CMS submission and reporting system will begin accepting the data from HOPE, in line with the start of HOPE data collection. Provider reports will also be available in this system beginning October 1, 2025. The QIES system will stop accepting HIS records for hospice admissions and discharges that occurred prior to October 1, 2025, including any corrections, after February 15, 2026.

Although we did not propose the transition to the new CMS submission and reporting system in the proposed rule, we received 13 public comments. The following is a summary of the comments we received and our responses.

Comment: Commenters raised concerns about the feasibility of transitioning hospice providers to the new CMS system due to historical delays as other provider types transitioned into the new CMS system and the intensive process needed to enroll providers and staff members. As noted in the prior section, commenters also raised concerns around this transition occurring alongside the transition to the HOPE tool, creating additional burden for providers.

Response: We appreciate commenters' input regarding the transition to the new CMS submission and reporting system. We note that while providers and vendors will be submitting HOPE data to a new CMS system on October 1, 2025, we expect hospice providers to onboard successfully and as planned, as has occurred with the assessment submission and reporting migrations for other provider types. The submission process will be similar to the process for submitting data to QIES. In addition, we will provide a similar set of provider, APU, and QM reports to enable providers to monitor their data submissions.

We note that although there is a different enrollment process for the new CMS submission and reporting system, there are several benefits to the new system that are intended to provide a more streamlined user experience. The new system is web-based and accessible with a single login for submitting HOPE data and accessing HOPE-related reports, replacing the current two-step process that requires two different login credentials. In addition, the new system enables a provider to have unlimited users able to submit HOPE data and access reports, with user access managed internally by a provider's designated security official, which is designed to promote timely data submission and support APU compliance.

In this final rule we have provided updates as to where providers and vendors can find additional information about this transition. Providers and vendors should visit the HOPE Technical Information web page at *https://www.cms.gov/medicare/quality/hospice-quality-reporting-program/hospice-outcomes-and-patient-evaluation-hope-technical-information* for the latest updates and resources related to HOPE data submission specifications, including the final Hospice Outcomes and Patient Evaluation (HOPE) data submission specifications (V1.00.1) and other technical information. As noted in this final rule, providers must have access to iQIES by October 1, 2025, to submit HOPE assessments and the QIES system will no longer accept HIS records after February 15, 2026. Additional questions about the transition to iQIES can be addressed to the iQIES Help Desk at *iqies@cms.hhs.gov.*

6. Form, Manner, and Timing of Quality Measure Data Submission

a. Statutory Penalty for Failure To Report

Section 1814(i)(5)(C) of the Act requires that each hospice submit data to the Secretary on quality measures specified by the Secretary. The data must be submitted in a form and manner, and at a time specified by the Secretary. Section 1814(i)(5)(A)(i) of the Act was amended by the CAA, 2021 and the payment reduction for failing to meet hospice quality reporting requirements was increased from 2 percent to 4 percent beginning with FY 2024. During FYs 2014 through 2023, the Secretary reduced the market basket update by 2 percentage points for non-compliance. Beginning in FY 2024 and for each subsequent year, the Secretary will reduce the market basket update by 4 percentage points for any hospice that does not comply with the quality measure data submission requirements for that FY. In the FY 2023 Hospice Wage Index final rule (87 FR 45669), we revised our regulations at § 418.306(b)(2) in accordance with this statutory change.

b. Compliance

HQRP Compliance requires understanding the different timeframes for both HIS (or HOPE, once implemented) and CAHPS: The relevant Reporting Year, the payment FY, and the Reference Year.

- The ''Reporting Year''' (HIS or HOPE) or ''Data Collection Year''' (CAHPS) is based on the calendar year (CY). It is the same CY for both HIS (or HOPE, once it is implemented) and CAHPS. If the CAHPS Data Collection year is CY 2025, then the HIS (or HOPE) reporting year is also CY 2025.
- In the ''Payment FY'', the APU is subsequently applied to FY payments based on compliance in the

corresponding Reporting Year/Data Collection Year.

- For the CAHPS Hospice Survey, the Reference Year is the CY before the Data Collection Year. The Reference Year applies to hospices submitting a size exemption from the CAHPS survey (there is no similar exemption for HIS or HOPE).[5] For example, for the CY 2025 data collection year, the Reference Year is CY 2024. This means providers seeking a size exemption for CAHPS in CY 2025 will base it on their hospice size in CY 2024.

Submission requirements are codified at § 418.312. Table 7 summarizes the three timeframes. It illustrates how the CY interacts with the FY payments, covering the CY 2023 through CY 2026 data collection periods and the corresponding APU application from FY 2025 through FY 2028. Please note that during the first reporting year that implements HOPE, APUs may be based on fewer than four quarters of data. We will provide additional subregulatory guidance regarding APUs for the HOPE implementation year.

TABLE 7—HQRP REPORTING REQUIREMENTS AND CORRESPONDING ANNUAL PAYMENTS UPDATES

Reporting year for HIS/HOPE and data collection year for CAHPS data (calendar year)	Annual payment update impacts payments for the FY	Reference year for CAHPS size exemption (CAHPS only)
CY 2024	FY 2026 APU	CY 2023.
CY 2025	FY 2027 APU	CY 2024.
CY 2026	FY 2028 APU	CY 2025.
CY 2027	FY 2029 APU	CY 2026.

As illustrated in Table 7, CY 2024 data submissions compliance impacts the FY 2026 APU. CY 2025 data submissions compliance impacts the FY 2027 APU. CY 2026 data submissions compliance impacts FY 2028 APU. This CY data submission impacting FY APU pattern follows for subsequent years.

c. Submission of Data Requirements

As finalized in the FY 2016 Hospice Wage Index final rule (80 FR 47142, 47192), hospices' compliance with HIS requirements beginning with the FY 2020 APU determination (that is, based on HIS Admission and Discharge records submitted in CY 2018) are based on a timeliness threshold of 90 percent. This means CMS requires that hospices submit 90 percent of all required HIS records within 30 days of the event (that is, patient's admission or discharge). The 90-percent threshold is hereafter referred to as the timeliness compliance threshold. Ninety percent of all required HIS records must be submitted and accepted within the 30-day submission deadline to avoid the statutorily mandated payment penalty.

We will apply the same submission requirements for HOPE admission, discharge, and up to two hospice update visit (HUV) records. After HIS is phased out, hospices will continue to be required to submit 90 percent of all required HOPE records to support the quality measures within 30 days of the event or completion date (patient's admission, discharge, and based on the patient's length of stay up to two HUV timepoints).

Hospice compliance with claims data requirements is based on administrative data collection. Since Medicare claims data are already collected from claims, hospices are considered 100 percent compliant with the submission of these data for the HQRP. There is no additional submission requirement for administrative data.

To comply with CMS' quality reporting requirements for CAHPS, hospices are required to collect data monthly using the CAHPS Hospice Survey. Hospices comply by utilizing a CMS-approved third-party vendor. Approved Hospice CAHPS vendors must successfully submit data on the hospice's behalf to the CAHPS Hospice Survey Data Center. A list of the approved vendors can be found on the CAHPS Hospice Survey website at *https://www.hospicecahpssurvey.org.*

Table 8 HQRP Compliance Checklist illustrates the APU and timeliness threshold requirements.

TABLE 8—HQRP COMPLIANCE CHECKLIST

Annual payment update	HIS/HOPE	CAHPS
FY 2026	Submit at least 90 percent of all HIS records within 30 days of the event date (for example, patient's admission or discharge) for patient admissions/discharges occurring 1/1/24–12/31/24.	Ongoing monthly participation in the Hospice CAHPS survey 1/1/2024–12/31/2024.
FY 2027	Submit at least 90 percent of all HIS/HOPE records within 30 days of the event date (for example, patient's admission or discharge) for patient admissions/discharges occurring 1/1/25–12/31/25.	Ongoing monthly participation in the Hospice CAHPS survey 1/1/2025–12/31/2025.
FY 2028	Submit at least 90 percent of all HOPE records within 30 days of the event or completion date (for example, patient's admission date, HUV completion date or discharge date) for patient admissions/discharges occurring 1/1/26–12/31/26.	Ongoing monthly participation in the Hospice CAHPS survey 1/1/2026–12/31/2026.

[5] CAHPS Hospice Survey, Participation Exemption for Size. *https://www.hospicecahpssurvey.org/en/participation-exemption-for-size/.*

TABLE 8—HQRP COMPLIANCE CHECKLIST—Continued

Annual payment update	HIS/HOPE	CAHPS
FY 2029	Submit at least 90 percent of all HOPE records within 30 days of the event date (for example, patient's admission date, HUV completion date or discharge date) for patient admissions/discharges occurring 1/1/27–12/31–2027.	Ongoing monthly participation in the Hospice CAHPS survey 1/1/2028–12/31/2027.

Note: The data source for the claims-based measures will be Medicare claims data that are already collected and submitted to CMS. There is no additional submission requirement for administrative data (Medicare claims), and hospices with claims data are 100-percent compliant with this requirement.

Most hospices that fail to meet HQRP requirements do so because they miss the 90 percent threshold. We offer many trainings and educational opportunities through our websites, which are available 24/7, 365 days per year, to enable hospice staff to learn at the pace and time of their choice. We want hospices to be successful with meeting the HQRP requirements. We encourage hospices to visit the frequently-updated HQRP website at *https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Hospice-Quality-Reporting.* Available trainings can be found on the HQRP Training and Education Library web page at *https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Hospice-Quality-Reporting/Hospice-Quality-Reporting-Training-Training-and-Education-Library* and additional resources are located on the Requirements and Best Practices web page at *https://www.cms.gov/medicare/quality/hospice/hqrp-requirements-and-best-practices.* We also encourage readers to stay informed about HQRP by visiting the HQRP Provider and Stakeholder Engagement web page at *https://www.cms.gov/medicare/quality/hospice/provider-and-stakeholder-engagement* to sign-up for the Hospice Quality Listserv.

7. Revision to § 418.312(j)(2) To Correct Regulatory Text

We proposed to revise the regulatory text at § 418.312(j)(2) to correct a reference to another part of the regulations. Specifically, we proposed replacing a reference to § 412.306(b)(2) with the correct reference to § 418.306(b)(2).

We received a comment in support of this proposal to revise § 418.312(j)(2) and we are finalizing as proposed.

IV. Waiver of Proposed Rulemaking

Under 5 U.S.C. 553(b) of the Administrative Procedure Act (APA), the agency is required to publish a notice of the proposed rule in the **Federal Register** before the provisions of a rule take effect. Specifically, 5 U.S.C. 553 requires the agency to publish a notice of the proposed rule in the **Federal Register** that includes a reference to the legal authority under which the rule is proposed, and the terms and substance of the proposed rule or a description of the subjects and issues involved. Similarly, section 1871(b)(1) of the Act requires the Secretary to provide for notice of the proposed rule in the **Federal Register** and provide a period of not less than 60 days for public comment for rulemaking to carry out the administration of the Medicare program under title XVIII of the Act. Sections 553(b)(B) and 553(d)(3) of the APA provide for exceptions from the notice and comment and delay in effective date APA requirements. In cases in which these exceptions apply, sections 1871(b)(2)(C) and 1871(e)(1)(B)(ii) of the Act also provide exceptions from the notice and 60-day comment period and delay in effective date requirements of the Act. In this final rule, we are not waiving the delay in effective date of the finalized provisions, but rather we are exercising the waiver of notice and comment rulemaking for the provisions summarized in this section. Section 553(b)(B) of the APA and section 1871(b)(2)(C) of the Act authorize an agency to dispense with normal rulemaking requirements for good cause if the agency makes a finding that the notice and comment process are impracticable, unnecessary, or contrary to the public interest.

Here, we are making two technical changes to the regulations for which there is good cause to waive notice and comment rulemaking.

First, we are making a technical change to § 418.22(a)(4)(ii) that was not proposed to align the regulation with its underlying statute. We believe that there is good cause to waive advance notice and comment because public participation is unnecessary for this technical change that will conform the regulatory text at § 418.22(a)(4)(ii) with its underlying statute, that is, section 1814(a)(7)(D)(i)(II) of the Act. Section 2207(f) of the Full-Year Continuing Appropriations and Extensions Act, 2025 (Pub L. 119–4) amended section 1814(a)(7)(D)(i)(II) of the Act to extend the use of telehealth by a hospice physician or hospice nurse practitioner to conduct a face-to-face encounter for the sole purpose of hospice recertification through September 30, 2025. However, the regulation at § 418.22(a)(4)(ii) continued to use ''December 31, 2024'' instead of ''September 30, 2025'' because we inadvertently omitted this date change in the proposed rule underlying § 418.22(a)(4)(ii). Given that this final rule simply conforms the regulation with its implementing statute, notice-and-comment rulemaking is unnecessary, and thus there is good cause to waive such rulemaking.

Second, as discussed in the comments and responses in section III.A.1.c. of this final rule, we are including in the FY 2026 hospice wage index the wage indexes for the Northern Mariana Islands and American Samoa using our established methodology for rural areas with no hospitals. The Northern Mariana Islands and American Samoa are rural areas with no hospital data from which a wage index can be calculated. Consistent with our established methodology, we compute an appropriate wage index for rural areas with no hospital using the average wage index values from contiguous CBSAs to represent a reasonable proxy. We believe that CBSA 99965 (Guam) represents a reasonable proxy because the islands are located within the Pacific Rim and share a common status of US territories. While Guam does not share a land border with either the Northern Mariana Islands or American Samoa, we believe that Guam's wage index is a reasonable proxy for the wage indexes of American Samoa and the Northern Mariana Islands under our contiguous CBSA policy given that those two territories cannot share a land border with other CBSAs. Therefore, hospices that provide services in the Northern Mariana Islands and American Samoa should use CBSA 99965 (Guam) and should receive the wage index

assigned to CBSA 99965 (Guam) of 0.9611.

While CMS believes that notice-and-comment rulemaking is not required for the addition of the wage indexes for the Northern Mariana Islands and American Samoa, were it required, there is good cause to waive such rulemaking as unnecessary. Notice-and-comment rulemaking is unnecessary because CMS is applying the existing methodology, that is, calculating the wage index of a rural area without a hospital based on the wage indexes of contiguous CBSAs, to the circumstances of the Northern Mariana Islands and American Samoa, and those two territories have historically and are currently receiving payment using Guam's wage index. As CMS is not altering a current wage index calculation methodology, there is good cause to waive notice and comment rulemaking to finalize the addition of the Northern Mariana Islands and American Samoa to the FY 2026 hospice wage index.

V. Collection of Information Requirements

In the proposed rule we noted that this rule, if finalized, would revise the attestation requirements at § 418.22(b)(4) to better align with the original intent of the statutory requirements under section 1814(a)(7) of the Act and CY 2011 HH PPS final rule for the certification of terminal illness regulations to include the physician's or nurse practitioner's signature and the date of the signature on each face-to-face encounter attestation. These underlying attestation requirements are collections of information that require approval under the PRA and were previously approved in the ICR for the Hospice Conditions of Participation (OMB Control Number 0938–1067). However, the revisions we proposed were minor and would not substantively change the scope of the attestation requirement or the burden that it would entail and thus do not require any additional approval that would go beyond the coverage provided by 0938–1067.

We received public comments on the attestation requirements regarding collection of information requirements, which are summarized in section III.C. of this final rule, stating that implementation of some of the proposed regulatory language would increase provider documentation and administrative burden. Therefore, we are finalizing only the proposed signature and date requirement of the attestation (which would not substantively change the scope of the attestation requirement) and not finalizing the proposed language stating that the attestation must be a separate and distinct section of, or an addendum to, the recertification form, and must be clearly titled. This language accounted for the part of the proposal that commenters stated would increase provider burden. Additionally, we clarified that if the signed and dated face-to-face encounter clinical note is included in the medical record, this could substitute for a signed and dated attestation, with the belief that this will further decrease administrative burden.

We are seeking approval from OMB to reinstate Control Number 0938–1067 separately from this rulemaking via the standard PRA process. The revisions to the attestation requirements that are being finalized in this rule will take effect once OMB approves the reinstatement.

VI. Regulatory Impact Analysis

A. Statement of Need

1. Hospice Payment

This final rule meets the requirements of our regulations at § 418.306(c) and (d), which require annual issuance, in the **Federal Register**, of the Hospice Wage Index based on the most current available CMS hospital wage data, including any changes to the definitions of CBSAs or previously used Metropolitan Statistical Areas (MSAs), as well as any changes to the methodology for determining the per diem payment rates. This final rule updates the payment rates for each of the categories of hospice care, described in § 418.302(b), for FY 2026 as required under section 1814(i)(1)(C)(ii)(VII) of the Act. The payment rate updates are subject to changes in economy-wide productivity as specified in section 1886(b)(3)(B)(xi)(II) of the Act.

B. Overall Impact

We have examined the impacts of this rule as required by Executive Order 12866, ''Regulatory Planning and Review''; Executive Order 13132, ''Federalism''; Executive Order 13563, ''Improving Regulation and Regulatory Review''; Executive Order 14192, ''Unleashing Prosperity Through Deregulation''; the Regulatory Flexibility Act (RFA) (Pub. L. 96–354); section 1102(b) of the Social Security Act; and section 202 of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4); and the Congressional Review Act (5 U.S.C. 804(2)).

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select those regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; and distributive impacts). Section 3(f) of Executive Order 12866 defines a ''significant regulatory action'' as any regulatory action that is likely to result in a rule that may: (1) have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; (2) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, or the President's priorities.

A regulatory impact analysis (RIA) must be prepared for a regulatory action that is significant under section 3(f)(1) of E.O. 12866. Based on our estimates, OMB's Office of Information and Regulatory Affairs has determined this rulemaking is significant per section 3(f)(1) of E.O. 12866. Accordingly, we have prepared a regulatory impact analysis that presents the costs and benefits of the rulemaking to the best of our ability. Furthermore, pursuant to Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (also known as the Congressional Review Act), OIRA has determined that this rule meets the criteria set forth in 5 U.S.C. 804(2). Therefore, OMB has reviewed this final rule and the Department has provided the following assessment of its impact.

1. Hospice Payment

We estimate that the aggregate impact of the payment provisions in this final rule will result in an estimated increase of $750 million in payments to hospices, resulting from the final hospice payment update percentage of 2.6 percent for FY 2026. The impact analysis of this final rule represents the projected effects of the changes in hospice payments from FY 2025 to FY 2026. Using the most recent complete data available at the time of rulemaking, in this case FY 2024 hospice claims data as of May 9, 2025, we simulate total payments using the FY 2025 wage index (pre-floor, pre-reclassified hospital wage index with the hospice floor, and the 5 percent cap on wage index decreases) and FY 2025 payment rates and compare it to our simulation of total payments using FY 2024 utilization claims data, the final FY 2026 Hospice Wage Index (pre-floor, pre-reclassified

hospital wage index with hospice floor, and the 5 percent cap on wage index decreases) and FY 2025 payment rates. By dividing payments for each level of care (RHC days 1 through 60, RHC days 61+, CHC, IRC, and GIP) using the FY 2025 wage index and payment rates for each level of care by the FY 2026 wage index and FY 2025 payment rates, we obtain a wage index standardization factor for each level of care. We apply the wage index standardization factors so that the aggregate simulated payments do not increase or decrease due to changes in the wage index.

Certain events may limit the scope or accuracy of our impact analysis, because such an analysis is susceptible to forecasting errors due to other changes in the forecasted impact time-period. The nature of the Medicare program is such that the changes may interact, and the complexity of the interaction of these changes could make it difficult to predict accurately the full scope of the impact upon hospices.

2. Hospice Quality Reporting Program

There were no new proposals related to the Hospice Quality Reporting Program for FY 2026; accordingly, there are no impacts.

C. Detailed Economic Analysis

1. Final Hospice Payment Update for FY 2026

The FY 2026 hospice payment impacts appear in Table 9. We tabulate the resulting payments according to the classifications (for example, provider type, geographic region, facility size), and compare the difference between current and future payments to determine the overall impact. The first column shows the breakdown of all hospices by provider type and control (non-profit, for-profit, government, other), facility location, and facility size. The second column shows the number of hospices in each of the categories in the first column. The third column shows the effect of using the FY 2026 updated wage index data with a 5 percent cap on wage index decreases. The aggregate impact of the change in column three is zero percent, due to the hospice wage index standardization factors. However, there are distributional effects of using the FY 2026 hospice wage index. The fourth column shows the effect of the hospice payment update percentage as mandated by section 1814(i)(1)(C) of the Act and is consistent for all providers. The hospice payment update percentage of 2.6 percent is based on the final 3.3 percent inpatient hospital market basket percentage increase reduced by a 0.7 percentage point productivity adjustment. The fifth column shows the total effect of the updated wage data and the hospice payment update percentage on FY 2026 hospice payments. As illustrated in Table 9, the combined effects vary by specific types of providers and by location. We note that simulated payments are based on utilization in FY 2024 as seen on Medicare hospice claims (accessed from the CCW on May 9, 2025) and only include payments related to the level of care and do not include payments related to the service intensity add-on.

As illustrated in Table 9, the combined effects vary by specific types of providers and by location.

TABLE 9—IMPACT TO HOSPICES FOR FY 2026

Hospice subgroup	Hospices	FY 2026 updated wage data (%)	FY 2026 hospice payment update (2.6%)	Overall total impact for FY 2026 (%)
All Hospices	6,735	0.0	2.6	2.6
Hospice Type and Control:				
Freestanding/Non-Profit	791	0.2	2.6	2.8
Freestanding/For-Profit	4,654	−0.1	2.6	2.5
Freestanding/Government	34	0.9	2.6	3.5
Freestanding/Other	0	0.0	2.6	2.6
Facility/HHA Based/Non-Profit	266	0.6	2.6	3.2
Facility/HHA Based/For-Profit	4	0.3	2.6	2.9
Facility/HHA Based/Government	97	0.5	2.6	3.1
Facility/HHA Based/Other	0	0.0	2.6	2.6
Subtotal: Freestanding Facility Type	5,479	0.0	2.6	2.6
Subtotal: Facility/HHA Based Facility Type	367	0.6	2.6	3.2
Subtotal: Non-Profit	1,067	0.3	2.6	2.9
Subtotal: For Profit	5,131	−0.1	2.6	2.5
Subtotal: Government	132	0.7	2.6	3.3
Subtotal: Other	12	0.6	2.6	3.2
Hospice Type and Control: Rural:				
Freestanding/Non-Profit	206	0.5	2.6	3.1
Freestanding/For-Profit	392	0.3	2.6	2.9
Freestanding/Government	24	0.8	2.6	3.4
Freestanding/Other	0	0.0	2.6	2.6
Facility/HHA Based/Non-Profit	112	1.2	2.6	3.8
Facility/HHA Based/For-Profit	0	0.0	2.6	2.6
Facility/HHA Based/Government	71	0.1	2.6	2.7
Facility/HHA Based/Other	0	0.0	2.6	2.6
Hospice Type and Control: Urban:				
Freestanding/Non-Profit	585	0.2	2.6	2.8
Freestanding/For-Profit	4,262	−0.2	2.6	2.4
Freestanding/Government	10	1.0	2.6	3.6

TABLE 9—IMPACT TO HOSPICES FOR FY 2026—Continued

Hospice subgroup	Hospices	FY 2026 updated wage data (%)	FY 2026 hospice payment update (2.6%)	Overall total impact for FY 2026 (%)
Freestanding/Other	0	0.0	2.6	2.6
Facility/HHA Based/Non-Profit	154	0.5	2.6	3.1
Facility/HHA Based/For-Profit	4	0.3	2.6	2.9
Facility/HHA Based/Government	26	0.7	2.6	3.3
Facility/HHA Based/Other	0	0.0	2.6	2.6
Hospice Location: Urban or Rural:				
Rural	849	0.4	2.6	3.0
Urban	5,886	0.0	2.6	2.6
Hospice Location: Region of the Country (Census Division):				
New England	159	1.3	2.6	3.9
Middle Atlantic	280	0.1	2.6	2.7
South Atlantic	650	0.4	2.6	3.0
East North Central	654	0.4	2.6	3.0
East South Central	252	0.3	2.6	2.9
West North Central	441	0.8	2.6	3.4
West South Central	1,251	−0.5	2.6	2.1
Mountain	701	0.2	2.6	2.8
Pacific	2,270	−1.1	2.6	1.5
Outlying	77	−0.4	2.6	2.2
Hospice Size (RHC Days):				
0–3,499 RHC Days	1,751	−0.8	2.6	1.8
3,500–19,999 RHC Days	3,014	−0.4	2.6	2.2
20,000+ RHC Days	1,970	0.1	2.6	2.7

Source: FY 2024 hospice claims data from CCW accessed on May 9, 2025.

Note: The overall total impact reflects the addition of the individual impacts, which includes the wage index impact as well as the hospice payment update of 2.6 percent.

Due to missing Provider of Services file and Cost Report information (from which hospice characteristics are obtained), some subcategories in the impact tables have fewer agencies represented than the overall total (of 6,735). Subtypes involving ownership only add up to 6,342 while subtypes involving facility type only add up to 5,846.

Region Key:

New England=Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont.

Middle Atlantic=Pennsylvania, New Jersey, New York.

South Atlantic=Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia.

East North Central=Illinois, Indiana, Michigan, Ohio, Wisconsin.

East South Central=Alabama, Kentucky, Mississippi, Tennessee.

West North Central=Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota.

West South Central=Arkansas, Louisiana, Oklahoma, Texas.

Mountain=Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming.

Pacific=Alaska, California, Hawaii, Oregon, Washington.

Outlying=Guam, Puerto Rico, Virgin Islands.

We received a comment on the detailed economic analysis and impact table. A summary of this comment and our response follows:

Comment: A commenter recommended enhanced data transparency regarding the files used to categorize hospice provider types by ownership and facility type in the FY 2026 hospice impact table. This commenter requested further information about the differences in the two files used to source this data and stated that CMS must be transparent about this measure.

Response: Ownership and facility type have typically been sourced from the provider of services (POS) file *(https://data.cms.gov/resources/pos-file-iqies-for-hha-asc-and-hospice-providers-methodology*). In recent years, ownership and facility type have increasingly been missing from the POS. Starting with the FY 2026 proposed rule, we also incorporated cost report data. We first assign ownership and facility type using information from the cost reports. Then, if there is missing data, we use the POS data to determine ownership and facility type. This improved our ability to assign ownership and facility type, with 6,305 hospices having ownership type information and 5,788 having facility type information. We encourage all hospices to review their POS and cost report data to ensure information on ownership and facility type are available and accurate. Missing information on ownership or facility type only impacts the rows of the impact table that are associated with ownership or facility type. Other calculations throughout the rule are not impacted by missing data on ownership or facility type.

D. Regulatory Review Cost Estimation

If regulations impose administrative costs on private entities, such as the time needed to read and interpret this final rule, we should estimate the cost associated with the regulatory review. Due to the uncertainty involved with accurately quantifying the number of entities that will review the rule, we assume that the total number of unique commenters on this year's proposed rule will be the number of reviewers of this final rule. However, we acknowledge that this assumption may understate or overstate the costs of reviewing this final rule. It is possible that not all commenters reviewed this year's proposed rule in detail, and it is also possible that some reviewers chose not to comment on the proposed rule. Despite these limitations, we believe that the number of commenters on this year's proposed rule is a fair estimate of the number of reviewers of this final rule. We received no comments on the approach to estimating the number of entities that will review this final rule. We also recognize that different types of

entities are in many cases affected by mutually exclusive sections of this final rule, and therefore for the purposes of our estimate we assume that each reviewer reads approximately 50 percent of the rule.

Using the May 2024 National median hourly wage rate (doubled for benefits and overhead) for medical and health service managers (Code 11–9111); we estimate that the cost of reviewing this rule is $113.42 per hour, including overhead and fringe benefits (*https://www.bls.gov/oes/current/oes_nat.htm*). Assuming an average reading speed we estimate that it would take approximately 1.76 hours for staff to review half of this final rule. For each hospice that reviews the rule, the estimated cost is $199.62 (1.76 hours × $113.42). Therefore, we estimate that the total cost of reviewing this regulation is $11,977.20 ($199.62 × 60 reviewers; which is based on the number of comments received for the proposed rule).

E. Alternatives Considered

1. Hospice Payment

Since the hospice payment update percentage is determined based on statutory requirements, we did not consider alternatives to updating the hospice payment rates by the hospice payment update percentage. The final 2.6 percent hospice payment update percentage for FY 2026 is based on a final 3.3 percent inpatient hospital market basket percentage increase for FY 2026, reduced by a final 0.7 percentage point productivity adjustment. Payment rates since FY 2002 have been updated according to section 1814(i)(1)(C)(ii)(VII) of the Act, which states that the update to the payment rates for subsequent years must be the market basket percentage increase for that fiscal year. Section 3401(g) of the Affordable Care Act also mandates that, starting with FY 2013 (and in subsequent years), the hospice payment update percentage will be annually reduced by changes in economy-wide productivity as specified in section 1886(b)(3)(B)(xi)(II) of the Act. For FY 2026, since the hospice payment update percentage is determined based on statutory requirements at section 1814(i)(1)(C) of the Act, we did not consider alternatives for the hospice payment update percentage.

F. Accounting Statement and Table

Consistent with OMB Circular A–4 (available at *https://trumpwhitehouse.archives.gov/sites/whitehouse.gov/files/omb/circulars/A4/a-4.pdf*), we have prepared an accounting statement in Table 10 showing the classification of the expenditures associated with the provisions of this final rule. Table 10 provides our best estimate of the possible changes in Medicare payments under the hospice benefit as a result of the policies in this final rule. This estimate is based on the data for 6,735 hospices in our impact analysis file, which was constructed using FY 2024 claims (accessed from the CCW on May 9, 2025). All expenditures are classified as transfers to hospices.

TABLE 10—ACCOUNTING STATEMENT CLASSIFICATION OF ESTIMATED TRANSFERS TO MEDICARE HOSPICES

Hospice payment update	FY 2025 to FY 2026
Category	Transfers
Annualized Monetized Transfers.	$750 million*.
From Whom to Whom?.	Federal Government to Medicare Hospices.

*The increase of $750 million in transfer payments is a result of the 2.6 percent hospice payment update compared to payments in FY 2025.

G. Regulatory Flexibility Act (RFA)

The RFA requires agencies to analyze options for regulatory relief of small entities if a rule has a significant impact on a substantial number of small entities. For purposes of the RFA, small entities include small businesses, nonprofit organizations, and small jurisdictions. We consider all hospices as small entities as that term is used in the RFA. The North American Industry Classification System (NAICS) was adopted in 1997 and is the current standard used by the Federal statistical agencies related to the U.S. business economy. There is no NAICS code specific to hospice services. Therefore, we utilized the NAICS U.S. industry title ''Home Health Care Services'' and corresponding NAICS code 621610 in determining impacts for small entities. The NAICS code 621610 has a size standard of $19 million.[6] Table 11 shows the number of firms, revenue, and estimated impact per home health care service category.

TABLE 11—NUMBER OF FIRMS, REVENUE, AND AVERAGE REVENUE PER FIRM OF HOME HEALTH CARE SERVICES FOR NAICS CODE 621610

NAICS	NAICS description	Enterprise size ($1,000)	Number of firms	Receipts ($1,000)	Average receipts per firm ($1,000)
621610	Home Health Care Services	<100	6,361	232,967	36.62
621610	Home Health Care Services	100–499	7,099	1,869,713	263.38
621610	Home Health Care Services	500–999	3,866	2,829,374	731.86
621610	Home Health Care Services	1,000–2,499	5,218	8,370,496	1,604.16
621610	Home Health Care Services	2,500–4,999	2,560	8,833,076	3,450.42
621610	Home Health Care Services	5,000–7,499	885	5,275,636	5,961.17
621610	Home Health Care Services	7,500–9,999	450	3,789,016	8,420.04
621610	Home Health Care Services	10,000–14,999	466	5,256,982	11,281.08
621610	Home Health Care Services	15,000–19,999	235	3,621,448	15,410.42
621610	Home Health Care Services	>20,000	1,058	73,271,709	69,254.92
621610	Home Health Care Services	Total	28,198	113,350,417	4,019.80

Source: Data obtained from United States Census Bureau table ''us_6digitnaics_rcptsize_2022'' (SOURCE: 2022 SUSB Annual Data Tables by Establishment Industry) Release Date: 4/10/2025: *https://www2.census.gov/programs-surveys/susb/tables/2022/us_6digitnaics_rcptsize_2022.xlsx.*

[6] *https://www.sba.gov/sites/sbagov/files/2023-03/Table%20of%20Size%20Standards_Effective%20March%2017%2C%202023%20%281%29%20%281%29_0.pdf.*

Notes: The 'Average Receipts Per Firm' column is calculated as the Receipts ($1,000)/Number of firms. The 'Total' row represents all the home health care services firms under NAICS 621610. Overall receipts (revenue) for the 28,198 firms (NAICS 621610) are approximately $113 billion.

The Department of Health and Human Services' practice in interpreting the RFA is to consider effects economically ''significant'' only if greater than 5 percent of providers reach a threshold of 3 to 5 percent or more of total revenue or total costs. The majority of hospice visits are Medicare paid visits, and therefore the majority of hospice agency revenue consists of Medicare payments. Based on our analysis, we conclude that the policies finalized in this rule will result in an estimated total impact of 3 to 5 percent or more on Medicare revenue for greater than 5 percent of hospices. Therefore, the Secretary has determined that this hospice final rule will have significant economic impact resulting in a net increase in positive revenue on a substantial number of small entities. We estimate that the net impact of the policies in this rule is 2.6 percent or approximately $750 million in increased revenue to hospices in FY 2026. The 2.6 percent increase in expenditures when comparing FY 2025 payments to estimated FY 2026 payments is reflected in the last column of the first row in Table 9 and is driven solely by the impact of the hospice payment update percentage reflected in the fourth column of the impact table. In addition, hospices with less than 3,500 RHC days will experience a lower estimated increase (1.8 percent), compared to hospices with 3,500–19,999 RHC days (2.2 percent) and hospices with greater than 20,000 RHC days (2.7 percent) due to the final updated wage index. We estimate that in FY 2026, hospices in urban areas would experience, on average, a 2.6 percent increase in estimated payments compared to FY 2025; while hospices in rural areas would experience, on average, a 3.0 percent increase in estimated payments compared to FY 2025. Hospices providing services in the New England region would experience the largest estimated increases in payments of 3.9 percent. Hospices serving patients in the Pacific region will experience, on average, the lowest estimated increase of 1.5 percent in FY 2026 payments. Further detail is presented in Table 9 by hospice type and location. The analysis in this section along with the rest of the regulatory impact analysis in this final rule constitutes our final regulatory flexibility analysis. We did not receive any comments on our proposed cost analysis.

In addition, section 1102(b) of the Act requires us to prepare a regulatory impact analysis if a rule may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 604 of the RFA. For purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside of an MSA and has fewer than 100 beds. As this rule will only affect hospices, the Secretary has determined that this rule will not have a significant impact on the operations of a substantial number of small rural hospitals (see Table 9).

H. Unfunded Mandates Reform Act (UMRA)

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) also requires that agencies assess anticipated costs and benefits before issuing any rule whose mandates require spending in any 1 year of $100 million in 1995 dollars, updated annually for inflation. In 2025, that threshold is approximately $187 million. This rule will not have an unfunded effect on state, local, or tribal governments, in the aggregate, or on the private sector that exceeds this threshold in any 1 year.

I. Federalism

Executive Order 13132 establishes certain requirements that an agency must meet when it promulgates a proposed rule (and subsequent final rule) that imposes substantial direct requirement costs on State and local governments, preempts State law, or otherwise has Federalism implications. We have reviewed this rule under these criteria of Executive Order 13132 and have determined that it will not impose substantial direct costs on State or local governments.

J. E.O. 14192, ''Unleashing Prosperity Through Deregulation''

Executive Order 14192, entitled ''Unleashing Prosperity Through Deregulation'' was issued on January 31, 2025, and requires that ''any new incremental costs associated with new regulations shall, to the extent permitted by law, be offset by the elimination of existing costs associated with at least 10 prior regulations.'' Therefore, this final rule is not an E.O. 14192 regulatory action since it does not impose any more than *de minimis* regulatory costs.

K. Conclusion

We estimate that aggregate payments to hospices in FY 2026 will increase by $750 million as a result of the 2.6 percent final hospice payment update, compared to payments in FY 2025. We estimate that in FY 2026, hospices in urban areas would experience, on average, a 2.6 percent increase in estimated payments compared to FY 2025; while hospices in rural areas would experience, on average, a 3.0 percent increase in estimated payments compared to FY 2025. Hospices providing services in the New England region would experience the largest estimated increases in payments of 3.9 percent. Hospices serving patients in the Pacific region will experience, on average, the lowest estimated increase of 1.5 percent in FY 2026 payments.

In accordance with the provisions of Executive Order 12866, this regulation was reviewed by the Office of Management and Budget.

Mehmet Oz Administrator of the Centers for Medicare & Medicaid Services, approved this document on July 21, 2025.

List of Subjects in 42 CFR Part 418

Health facilities, Medicare, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, the Centers for Medicare & Medicaid Services amends 42 CFR chapter IV, part 418 as set forth below:

PART 418—HOSPICE CARE

■ 1. The authority citation for part 418 continues to read as follows:

Authority: 42 U.S.C. 1302 and 1395hh.

■ 2. Section 418.22 is amended by revising paragraphs (a)(4)(ii) and (b)(4) to read as follows:

§ 418.22 Certification of terminal illness.

(a) * * *

(4) * * *

(ii) During a Public Health Emergency, as defined in § 400.200 of this chapter, or through September 30, 2025, whichever is later, if the face-to-face encounter conducted by a hospice physician or hospice nurse practitioner is for the sole purpose of hospice recertification, such encounter may occur via a telecommunications technology and is considered an administrative expense. *Telecommunications technology* means the use of interactive multimedia communications equipment that

includes, at a minimum, the use of audio and video equipment permitting two-way, real-time interactive communication between the patient and the distant site hospice physician or hospice nurse practitioner.

(b) * * *

(4) The physician or nurse practitioner who performs the face-to-face encounter with the patient described in paragraph (a)(4) of this section must attest in writing that he or she had a face-to-face encounter with the patient, including the date of that visit. The attestation must include the physician's or nurse practitioner's signature and the date it was signed. The attestation could be a separate and distinct section of, or an addendum to, the recertification or a clinical note that indicates the face-to-face encounter occurred, and includes the clinical findings of the face-to-face encounter, the date of the visit, the signature of the physician or nurse practitioner who conducted the face-to-face encounter, and the date of the signature. If the attestation of the nurse practitioner or a non-certifying hospice physician is a separate and distinct section of, or an addendum to, the recertification, the attestation shall state that the clinical findings of that visit were provided to the certifying physician for use in determining continued eligibility for hospice care.

* * * * *

■ 3. Section 418.25 is amended by revising paragraphs (a) and (b) introductory text to read as follows:

§ 418.25 Admission to hospice care.

(a) The hospice admits a patient only on the recommendation of the medical director (or the physician designee, as defined in § 418.3) or the physician member of the hospice interdisciplinary group, in consultation with, or with input from, the patient's attending physician (if any).

(b) In reaching a decision to certify that the patient is terminally ill, the hospice medical director (or the physician designee, as defined in § 418.3) or the physician member of the hospice interdisciplinary group, must consider at least the following information:

* * * * *

■ 4. Section 418.312 is amended by revising paragraph (j)(2) to read as follows:

§ 418.312 Data submission requirements under the hospice quality reporting program.

* * * * *

(j) * * *

(2) A hospice must meet or exceed the data submission compliance threshold in paragraph (j)(1) of this section to avoid receiving a 4-percentage point reduction to its annual payment update for a given FY as described under § 418.306(b)(2) of this chapter.

Robert F. Kennedy, Jr.,

Secretary, Department of Health and Human Services.

[FR Doc. 2025–14782 Filed 8–1–25; 4:15 pm]

BILLING CODE 4120–01–P

Proposed Rules

Federal Register
Vol. 90, No. 148
Tuesday, August 5, 2025

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

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2025–1727; Project Identifier MCAI–2024–00750–R]

RIN 2120–AA64

Airworthiness Directives; Bell Textron Canada Limited Helicopters

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to adopt a new airworthiness directive (AD) for certain Bell Textron Canada Limited (Bell) Model 427 helicopters. This proposed AD was prompted by a report of a cracked transmission oil check valve (check valve). This proposed AD would require inspecting and measuring certain check valves and, depending on the results, repetitively inspecting and removing the check valve from service if it has leaks or is cracked. This proposed AD would also prohibit installing the affected check valves on any helicopter. The FAA is proposing this AD to address the unsafe condition on these products.

DATES: The FAA must receive comments on this NPRM by September 19, 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–2025–1727; 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 Transport Canada material identified in this proposed AD, contact Transport Canada, Transport Canada National Aircraft Certification, 159 Cleopatra Drive, Nepean, Ontario, K1A 0N5, Canada; phone: (888) 663–3639; email: *TC.AirworthinessDirectives-Consignesdenavigabilite.TC@tc.gc.ca;* website: *tc.canada.ca/en/aviation.* You may find the Transport Canada material on the Transport Canada website at *tc.canada.ca/en/aviation.*
- You may view this material at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Parkway, Room 6N–321, Fort Worth, TX 76177. For information on the availability of this material at the FAA, call (817) 222–5110. It is also available at *regulations.gov* under Docket No. FAA–2025–1727.

FOR FURTHER INFORMATION CONTACT: Michael Yeshiambel, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (316) 946–4133; email: *michael.m.yeshiambel@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 **ADDRESSES**. Include ''Docket No. FAA–2025–1727; Project Identifier MCAI–2024–00750–R'' 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 Michael Yeshiambel, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590. Any commentary that the FAA receives which is not specifically designated as CBI will be placed in the public docket for this rulemaking.

Background

Transport Canada, which is the aviation authority for Canada, has issued Transport Canada AD CF–2024–42, dated December 13, 2024 (Transport Canada AD CF–2024–42) (also referred to as the MCAI), to correct an unsafe condition on Bell Model 427 helicopters, serial numbers 56001 through 56084, 58001 and 58002. The MCAI states that there has been a report of a cracked check valve, part number (P/N) 209–062–520–001, manufactured in 2009 by Circor Aerospace (Circle Seal), and that the crack was caused by applying an incorrect torque value to the threaded fitting at the inlet end of the check valve during assembly. Additionally, the MCAI states that this condition may be indicated by an enlarged outside diameter measurement at the inlet end of the check valve housing where the threaded fitting is installed, or by the presence of a leak, and that this check valve is used in the transmission lubrication system of the

helicopter. The MCAI further states that the degradation or loss of lubrication, if not detected, could lead to failure of the transmission and consequent loss of control of the helicopter.

You may examine the MCAI in the AD docket at *regulations.gov* under Docket No. FAA–2025–1727.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed Transport Canada AD CF–2024–42, which specifies procedures for, within 25 hours air time or 30 days, whichever occurs first, measuring the outside diameter of the affected part housing at the center and at the inlet end where the threaded fitting is installed. If the dimension measured at the inlet end is not greater than 0.003 inch (0.0762 mm) compared to the measurement at the center, Transport Canada AD CF–2024–42 specifies no further action, and if the dimension is greater than 0.003 inch (0.0762 mm) compared to the measurement at the center, Transport Canada AD CF–2024–42 specifies a repetitive 25-hour air time or 30-day, whichever occurs first, visual inspection of the check valve for general condition and oil leaks and the inlet end for cracks. If a crack or leak is found, Transport Canada AD CF–2024–42 specifies replacing the valve with a new valve before further flight; replacing the affected check valve within 600 hours air time or 12 months, whichever occurs first, is then specified and constitutes a terminating action for the repetitive inspections. Finally, Transport Canada AD CF–2024–42 prohibits installing the affected check valve on any helicopter.

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

These products have been approved by the civil aviation authority of another country and are approved for operation in the United States. Pursuant to the FAA's bilateral agreement with this State of Design Authority, that authority 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 on other products of the same type design.

Proposed AD Requirements in This NPRM

This proposed AD would require accomplishing the actions specified in the material already described, except for any differences identified as exceptions in the regulatory text of this AD. See ''Differences Between This Proposed AD and the MCAI'' for a discussion of the general differences included in 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 Transport Canada AD CF–2024–42 by reference in the FAA final rule. This proposed AD would, therefore, require compliance with Transport Canada AD CF–2024–42 in its entirety through that incorporation, except for any differences identified as exceptions in the regulatory text of this proposed AD.

Differences Between This Proposed AD and the MCAI

The MCAI uses the term new, while this proposed AD uses the term new (zero hours time-in-service).

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect 14 helicopters 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
Perform measurements	0.50 work-hour × $85 per hour = $42.50	$85	$127.50	$1,785

The FAA estimates the following costs to do any necessary additional inspections or replacements that would be required based on the results of the measurement. The agency has no data to determine the number of helicopters that might need these additional actions:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Perform repetitive inspections	1 work-hour × $85 per hour = $85	$0	$85
Replace the check valve	1 work-hour × $85 per hour = $85	796	881

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:

Bell Textron Canada Limited Helicopters: Docket No. FAA–2025–1727; Project Identifier MCAI–2024–00750–R.

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by September 19, 2025.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Bell Textron Canada Limited Model 427 helicopters, serial numbers 56001 through 56084 inclusive, 58001, and 58002, certificated in any category.

(d) Subject

Joint Aircraft System Component (JASC) Code: 6300, Main Rotor Drive System.

(e) Unsafe Condition

This AD was prompted by a report of a cracked transmission oil check valve (check valve). The FAA is issuing this AD to detect and address cracked or leaking check valves. The unsafe condition, if not addressed, could result in the degradation or loss of lubrication to the transmission, failure of the transmission, and consequent loss of control of the helicopter.

(f) Compliance

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

(g) Requirements

Except as specified in paragraph (h) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, Transport Canada AD CF–2024–42, dated December 13, 2024 (Transport Canada AD CF–2024–42).

(h) Exceptions to Transport Canada AD CF–2024–42

(1) Where Transport Canada AD CF–2024–42 refers to its effective date, this AD requires using the effective date of this AD.

(2) Where Transport Canada AD CF–2024–42 refers to air time, this AD requires using hours time-in-service.

(3) Where Parts I and II of Transport Canada AD CF–2024–42 state ''new,'' this AD requires replacing each instance of that text with ''new (zero hours time-in-service)''.

(i) Alternative Methods of Compliance (AMOCs)

(1) The Manager, International Validation 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 local Flight Standards District Office, as appropriate. If sending information directly to the manager of the International Validation Branch, send it to the attention of the person identified in paragraph (j) of this AD and email to: *AMOC@faa.gov.*

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(j) Additional Information

For more information about this AD, contact Michael Yeshiambel, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (316) 946–4133; email: *michael.m.yeshiambel@faa.gov.*

(k) Material Incorporated by Reference

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

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

(i) Transport Canada AD CF–2024–42, dated December 13, 2024.

(ii) [Reserved]

(3) For Transport Canada material identified in this AD, contact Transport Canada, Transport Canada National Aircraft Certification, 159 Cleopatra Drive, Nepean, Ontario, K1A 0N5, Canada; phone: (888) 663–3639; email: *TC.AirworthinessDirectives-Consignesdenavigabilite.TC@tc.gc.ca;* website: *tc.canada.ca/en/aviation.* You may find the Transport Canada material on the Transport Canada website at *tc.canada.ca/en/aviation.*

(4) You may view this material at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Parkway, Room 6N–321, Fort Worth, TX 76177. For information on the availability of this material at the FAA, call (817) 222–5110.

(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 August 1, 2025.

Steven W. Thompson,

Acting Deputy Director, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2025–14847 Filed 8–4–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2025–1728; Project Identifier MCAI–2025–00076–T]

RIN 2120–AA64

Airworthiness Directives; Bombardier, Inc., 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 Bombardier, Inc., Model CL–600–2A12 (601) and CL–600–2B16 (601–3A, 601–3R, and 604 Variants) airplanes. This proposed AD was prompted by a determination that new or more restrictive airworthiness limitations are necessary. This proposed AD would require revising the existing maintenance or inspection program, as applicable, to incorporate new or more restrictive airworthiness limitations. 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 September 19, 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–2025–1728; 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 Bombardier material identified in this proposed AD, contact Bombardier Business Aircraft Customer Response Center, 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; telephone 514–855–2999; email *ac.yul@aero.bombardier.com;* website *bombardier.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.

FOR FURTHER INFORMATION CONTACT: Joseph Catanzaro, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7300; email *9-avs-nyaco-cos@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–2025–1728; Project Identifier MCAI–2025–00076–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 the 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 Joseph Catanzaro, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7300; email *9-avs-nyaco-cos@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

Transport Canada, which is the aviation authority for Canada, has issued Transport Canada AD CF–2025–06, dated January 20, 2025 (Transport Canada AD CF–2025–06) (also referred to as the MCAI), to correct an unsafe condition for all Bombardier, Inc., Model CL–600–2A12 (601), and CL–600–2B16 (601–3A, 601–3R, and 604 Variants) airplanes. The MCAI states that new or more restrictive airworthiness limitations have been developed. The flightcrew of a Challenger airplane started the auxiliary power unit (APU) during the approach and allowed it to run for approximately 10 minutes after landing. When the flightcrew shut the APU down, an APU FIRE warning message was posted on the engine indicating and crew alerting system (EICAS). The APU fire suppression was discharged; however, the fire was not fully extinguished following the discharge of the fire bottles. Upon further investigation, it was discovered that a fuel solenoid valve was leaking, and the APU muffler drainage was blocked leading to an accumulation of fuel in the muffler. The fuel in the APU muffler was ignited by the high-temperature exhaust gases in the muffler.

The FAA is proposing this AD to address an accumulation of fuel in the muffler caused by a drainage block in the APU muffler. This condition, if not corrected, could lead to an accumulation of fuel in the muffler being ignited by the high-temperature exhaust gases in the muffler, and could subsequently lead to an uncontrolled fire in the APU bay. You may examine the MCAI in the AD docket at *regulations.gov* under Docket No. FAA–2025–1728.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed the following Bombardier material:

• Temporary Revision No. 5–2–6, dated June 28, 2024, which includes new Task 49–15–01–101*, ''Functional Test of the Auxiliary Power Unit (APU) Muffler Drain.''

• Temporary Revision No. 5–2–30, dated June 28, 2024, which includes new Task 49–15–01–101*, ''Functional Test of the Auxiliary Power Unit (APU) Muffler Drain.''

• Temporary Revision No. 5–2–74, dated June 28, 2024, which includes new Task 49–15–01–101*, ''Functional Test of the Auxiliary Power Unit (APU) Muffler Drain (A/C 5301 to 5630, Post SB 604–49–006, and A/C 5631 and Subs).''

• Temporary Revision No. TR 5–271, dated September 30, 2024, which includes, among other tasks, new Task 49–15–01–101*, ''Functional Test of the APU Muffler Drain.''

• Temporary Revision No. TR 5–285, dated September 30, 2024, which includes, among other tasks, new Task 49–15–01–101*, ''Functional Test of the APU Muffler Drain.''

(The asterisk (or ''one star'') with the last three digits of the task numbers listed above indicates that the task is an airworthiness limitation task.)

Temporary Revision No. 5–2–6, 5–2–30, 5–2–74, TR 5–271, and TR 5–285 introduce, among other tasks, functional tests of the APU muffler drain. These documents are distinct since they apply to different airplane configurations.

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

These products have been approved by the civil aviation authority of another country and are approved for operation in the United States. Pursuant to the FAA's bilateral agreement with this State of Design Authority, that authority has notified the FAA of the unsafe condition described in the MCAI and material referenced above. The FAA is proposing this AD because the FAA evaluated all the relevant information

and determined the unsafe condition described previously is likely to exist or develop on other products of the same type design.

Proposed Requirements of This NPRM

This proposed AD would require revising the existing maintenance or inspection program, as applicable, to incorporate new or more restrictive airworthiness limitations.

This proposed AD would require revisions to certain operator maintenance documents to include new actions (*e.g.,* inspections). Compliance with these actions is required by 14 CFR 91.403(c). For airplanes that have been previously modified, altered, or repaired in the areas addressed by this proposed AD, the operator may not be able to accomplish the actions described in the revisions. In this situation, to comply with 14 CFR 91.403(c), the operator must request approval for an alternative method of compliance according to paragraph (i)(1) of this proposed AD.

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect 550 airplanes of U.S. registry. The FAA estimates the following costs to comply with this proposed AD:

The FAA has determined that revising the maintenance or inspection program takes an average of 90 work-hours per operator, although the agency recognizes that this number may vary from operator to operator. Since operators incorporate maintenance or inspection program changes for their affected fleet(s), the FAA has determined that a per-operator estimate is more accurate than a per-airplane estimate. Therefore, the agency estimates the average total cost per operator to be $7,650 (90 work-hours × $85 per work-hour).

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:

Bombardier, Inc.: Docket No. FAA–2025–1728; Project Identifier MCAI–2025–00076–T.

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by September 19, 2025.

(b) Affected ADs

None.

(c) Applicability

This AD applies to all Bombardier, Inc., Model CL–600–2A12 (601) and CL–600–2B16 (601–3A, 601–3R, and 604 Variants) airplanes, certificated in any category.

(d) Subject

Air Transport Association (ATA) of America Code 49, Auxiliary Power.

(e) Unsafe Condition

This AD was prompted by a determination that new or more restrictive airworthiness limitations are necessary. The FAA is issuing this AD to address an accumulation of fuel in the muffler caused by a drainage block in the Auxiliary Power Unit (APU) muffler. This condition if not corrected, could lead to an accumulation of fuel in the muffler being ignited by the high-temperature exhaust gases in the muffler, and could subsequently lead to an uncontrolled fire in the APU bay.

(f) Compliance

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

(g) Maintenance or Inspection Program Revision

Within 90 days after the effective date of this AD, revise the existing maintenance or inspection program, as applicable, to incorporate the information specified in the applicable tasks identified in figure 1 to paragraph (g) of this AD. The initial compliance time for doing the tasks is at the time specified in the applicable tasks identified in figure 1 to paragraph (g) of this AD, or within 90 days after the effective date of this AD, whichever occurs later.

FIGURE 1 TO PARAGRAPH (g)—TEMPORARY REVISIONS AND TASKS

For model	Temporary revision	Task Nos. and title
Bombardier, Inc., Model CL–600–2A12 (601) airplanes.	Bombardier Temporary Revision No. TR 5–271, dated September 30, 2024.	Task 49–15–01–101*, ''Functional Test of the APU Muffler Drain''.
Bombardier, Inc., CL–600–2B16 (601-3A and 601-3R Variants) airplanes.	Bombardier Temporary Revision No. TR 5–285, dated September 30, 2024.	Task 49–15–01–101*, ''Functional Test of the APU Muffler Drain''.
Bombardier, Inc., CL–600–2B16 (604 Variant) airplanes (Challenger 604).	Bombardier Temporary Revision No. 5-2-74, dated June 28, 2024.	Task 49–15–01–101*, ''Functional Test of the Auxiliary Power Unit (APU) Muffler Drain (A/C 5301 to 5630, Post SB 604–49–006, and A/C 5631 and Subs).''

FIGURE 1 TO PARAGRAPH (g)—TEMPORARY REVISIONS AND TASKS—Continued

For model	Temporary revision	Task Nos. and title
Bombardier, Inc., CL–600–2B16 (604 Variant) airplanes (Challenger 605).	Bombardier Temporary Revision No. 5–2–30, dated June 28, 2024.	Task 49–15–01–101*, ''Functional Test of the Auxiliary Power Unit (APU) Muffler Drain.''
Bombardier, Inc., CL–600–2B16 (604 Variant) airplanes (Challenger 650).	Bombardier Temporary Revision No. TR 5–2–6, dated June 28, 2024.	Task 49–15–01–101*, ''Functional Test of the Auxiliary Power Unit (APU) Muffler Drain.''

Note 1 to figure 1 to paragraph (g): The asterisk (or ''one star'') with the last three digits of the task numbers listed in table 1 to paragraph (g) of this AD indicates that the task is an airworthiness limitation task.

(h) No Alternative Actions, Intervals

After the existing maintenance or inspection program has been revised as required by paragraph (g) of this AD, no alternative actions (*e.g.,* inspections) or intervals may be used unless the actions and intervals are approved as an alternative method of compliance (AMOC) in accordance with the procedures specified in paragraph (i)(1) of this AD.

(i) Additional AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, International Validation 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 International Validation Branch, send it to the attention of the person identified in paragraph (j) 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 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, International Validation Branch, FAA; or Transport Canada; or Bombardier's Transport Canada Design Approval Organization (DAO). If approved by the DAO, the approval must include the DAO-authorized signature.

(j) Additional Information

For more information about this AD, contact Joseph Catanzaro, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7300; email *9-avs-nyaco-cos@faa.gov.*

(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 this AD specifies otherwise.

(i) Bombardier Temporary Revision No. 5–2–6, dated June 28, 2024.

(ii) Bombardier Temporary Revision No. 5–2–30, dated June 28, 2024.

(iii) Bombardier Temporary Revision No. 5–2–74, dated June 28, 2024.

(iv) Bombardier Temporary Revision No. TR 5–271, dated September 30, 2024.

(v) Bombardier Temporary Revision No. TR 5–285, dated September 30, 2024.

(3) For Bombardier material identified in this AD, contact Bombardier Business Aircraft Customer Response Center, 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; telephone 514–855–2999; email *ac.yul@aero.bombardier.com;* website *bombardier.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-locationsoremailfr.inspection@nara.gov.*

Issued on August 1, 2025.

Steven W. Thompson,

Acting Deputy Director, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2025–14830 Filed 8–4–25; 8:45 am]

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DEPARTMENT OF STATE

22 CFR Part 42

[Public Notice: 12281]

RIN 1400–AF76

Visas: Enhancing Vetting and Combatting Fraud in the Diversity Immigrant Visa Program

AGENCY: Department of State.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Department of State (''Department'') proposes to amend regulations governing the Diversity Immigrant Visa Program (''DV Program'') to improve the integrity and combat fraud in the program. The Department proposes to require petitioners to the DV Program to provide valid, unexpired passport information and a scan of the biographic and signature page uploaded to their electronic entry form, or otherwise indicate that they are exempt from this requirement. Additionally, the Department also proposes to standardize and amend language in 22 CFR part 42, including by adding the word ''shall'' to simplify guidance for consular officers; ensuring the use of the term ''sex'' in lieu of ''gender'' as mandated by Executive Order 14168; and replacing the term ''age'' in 22 CFR 42.33(h)(1)(i) with the phrase ''date of birth'' to accurately reflect the information collected and maintained by the Department during the immigrant visa process.

DATES: Written comments and related materials must be received on or before midnight Eastern Daylight Time on September 19, 2025.

ADDRESSES: Interested parties may submit comments, identified by Department docket number DOS–2025–0001 or RIN 1400–AF76, through the Federal eRulemaking Portal at *http://www.regulations.gov.* Follow the website instructions for submitting comments. A summary of this rule is also available at *www.regulations.gov* by searching for RIN 1400–AF76.

Comments submitted in a manner other than the one listed above, including via emails or letters sent to Department officials, will not be considered comments on the NPRM, and may not be considered by the Department.

FOR FURTHER INFORMATION CONTACT: Visa Services, Bureau of Consular Affairs, Department of State; telephone: (202) 486–7586; email: *VisaRegs@state.gov.*

Public Participation: The Department invites all interested parties to submit written data, views, comments, and arguments on all aspects of this proposed rule. Comments must be submitted in English, or an English translation must be provided. Comments that will provide the most assistance to the Department in implementing this change will reference a specific portion of the NPRM, explain the reason for any recommended change, and include information that supports the recommended change.

Instructions: If you submit a comment, you must include the RIN 1400–AF76 for this NPRM in the title or body of the comment. Submitted

comments will be publicly posted to the Federal eRulemaking Portal at *www.regulations.gov.* Therefore, you may wish to consider limiting the amount of personal information that you provide. The Department may withhold from public viewing information provided in comments that it determines offensive. You should not submit case inquiries or include case numbers in your comment. For additional information, please read the Privacy Act notice available in the footer at *www.regulations.gov.*

Docket: For access to the docket and to read background documents or comments received, go to *www.regulations.gov,* referencing Department Docket Number DOS–2025–0001. You may also sign up for email alerts on the online docket to be notified when comments are posted or a final rule is published.

SUPPLEMENTARY INFORMATION:

I. Background

The DV Program is administered by the Department of State. Section 203(c) of the Immigration and Nationality Act (''INA''), 8 U.S.C. 1101 *et seq.,* makes diversity visas available to aliens who are ''natives'' of ''low-admission'' states, subject to certain numerical limitations. The INA defines ''low-admission states'' as those with equal to or fewer than 50,000 natives admitted to the United States during the most recent five-year period. INA section 203(c)(1)(B)(ii). Millions of petitioners register annually for the DV Program through an electronic entry form.[1]

Under section 204(a)(1)(I)(iii) of the INA, petitions (also referred to as ''entries'') for the DV Program must be in the form prescribed in regulations by the Secretary of State (''Secretary'') and contain all information and be supported by documentary evidence that the Secretary requires. As provided in Department regulations at 22 CFR 42.33, the entry form collects information on the petitioner's full name; date and place of birth; sex; native country, if different from place of birth; current mailing address; and location of the consular post nearest to their residence, where the application for a diversity immigrant visa (''DV'') should generally be adjudicated if the petitioner is selected and scheduled for an interview through the DV Program. The electronic entry form also collects information about the names, dates, and places of birth of the petitioner's spouse and children.

After the close of the DV Program entry period,[2] certain petitioners are selected through a randomized computer drawing (''selectees''), and selectees may apply for a DV or, if physically present in the United States and otherwise eligible, may apply to adjust status as a diversity immigrant, *see* INA section 245(a). Under section 201(e) of the INA, the number of available DVs each year is 55,000.[3] To be issued an immigrant visa as a diversity immigrant, individuals must establish their qualifications and eligibility for the visa in accordance with the INA and Department regulations.

II. Fraud and Criminal Entities Hijacking the Process

The Department has historically encountered significant numbers of fraudulent entries for the DV Program each year, including entries submitted by third parties, some of them criminal enterprises, on behalf of individuals without their knowledge. Unauthorized third parties will often then contact the unwitting individual, inform them of the opportunity to apply for a DV, and hold the entry information from the petitioner in exchange for payment or to coerce the petitioner to be complicit in certain acts of fraud. This type of fraud is prevalent enough that the Federal Trade Commission addressed it in a 2012 YouTube video about DV fraud.[4]

One of the more egregious examples of large-scale third-party fraud occurred in 2012 when Embassy Dhaka (Bangladesh) reported through official channels that one IP address was responsible for more than 634,000 entries. Bangladeshi authorities investigated the facilitators and found computers with thousands of applications, along with fake education documents and staged marriage photos.

Similarly, a Department Office of the Inspector General (OIG) report [5] highlighted Embassy Kyiv's (Ukraine) account of organized fraud rings masquerading as travel agencies taking control of the DV Program in Ukraine. By buying, stealing, or otherwise obtaining from public sources, personal information about Ukrainian citizens, the fraud ring entered these Ukrainian citizens' names in the online DV Program website, often without their permission or awareness. The fraud ring then contacted hundreds of Ukrainian selectees and required them to pay up to $15,000 to obtain the confirmation number. If the selectee could not pay, the fraud ring often insisted that he or she enter into a sham marriage with a person who had expressed interest in immigrating to the United States. In such a case, the ''sham spouse'' would pay a substantial amount of money to be paired with a DV selectee. This type of fraud continues to be widespread.

Another form of fraud involves the creation or submission of false documents that the scammer claims will enhance a petitioner's chances of selection or approval. This can include counterfeit educational documents, fake work experience letters, or manipulated photographs as evidence of a marital relationship. In 2023, Embassy Phnom Penh (Cambodia) reported seeing old ID photos that fixers had photoshopped by changing the clothes or background to attempt to circumvent the requirement for a recent photo. The report stated that visa scammers in Cambodia can charge fees ranging from $5,000 to $30,000 to prepare a DV case, including providing fake education or work documents. Embassy Chisinau (Moldova) also reported a collaborative effort in 2023 from their consular section and Overseas Criminal Investigations Unit (OCIU) that detected and thwarted a scheme by a corrupt university official who provided some DV winners with fraudulent diplomas.

To protect Americans and U.S. interests from persons who intend to threaten U.S. national security, the Department continues to take steps to reduce the fraud in the DV petition and application process. Requiring passport information on the DV petition would make it much more difficult for unauthorized third parties to enter someone with partial information. This measure would also enable the Department to more effectively and efficiently confirm petitioners' identities. The Department also anticipates that these measures would decrease the number of fraudulent marriages encountered in the DV program. Identifying fraudulent petitioners at the petition stage saves time and effort on the part of

[1] Aliens who enter the DV Program are referred to as ''petitioners.'' Petitioners in the DV Program who are selected are referred to as ''selectees'' for a Diversity Immigrant Visa. The Department's Electronic Diversity Visa website. *https://dvprogram.state.gov/.*

[2] A full description of the Diversity Visa Program, including information about each step in the process, can be found at: *https://travel.state.gov/content/travel/en/us-visas/immigrate/diversity-visa-program-entry/diversity-visa-submit-entry1.html.*

[3] While section 201(e) of the INA authorizes the allocation of 55,000 diversity visas annually, up to 5,000 of these visas may be set aside for use under the Nicaraguan Adjustment and Central American Relief Act, as amended by the National Defense Authorization Act for Fiscal Year 2024. *See* Public Law 105–100, 203(d) (1997) (8 U.S.C. 1151 note); Public Law 118–31, 5104 (2023).

[4] Diversity Visa Lottery Scams | Federal Trade Commission—YouTube, available at *https://www.youtube.com/watch?v=mOnSN8Pbak0.*

[5] ISP–I–13–45A Department of State, OIG, Inspection of Embassy Kyiv, Ukraine, September 2013.

adjudicating officers who otherwise dedicate significant resources trying to clarify discrepancies between a petitioner's DV petition and the visa application, and whether the petitioner's explanation is credible or the petition was fraudulent.

III. Passport Requirement Would Reduce Fraud and Aid in Identity Verification

Under this proposed rule, the Department would amend 22 CFR 42.33(b)(1) regarding the information required on DV entry forms to require the petitioner to include the unique serial or issuance number associated with the petitioner's valid, unexpired passport (as defined in both INA section101(a)(30)[6] and 22 CFR 42.64(a)[7]), the name on the passport, the country or authority of passport issuance, and the passport expiration date, as well as a scanned version of the passport's biographic and signature page(s). A similar requirement for a valid passport number was initially put in place as an Interim Final Rule in 2019,[8] which was vacated on procedural grounds in 2022, corresponding to the 2021, 2022, and 2023 DV Program years.[9]

This proposed rule significantly enhances the Department's ability to confirm the petitioners' identity as directed under the administration's Executive Order 14161, ''Protecting the United States from Foreign Terrorists and Other National Security and Public Safety Threats,'' signed January 20, 2025, which specifically directs the Secretary of State and other agencies to:

''*(ii) determine the information needed from any country to adjudicate any visa, admission, or other benefit under the INA for one of its nationals, and to ascertain whether the individual seeking the benefit is who the individual claims to be and that the individual is not a security or public-safety threat.*'' [10]

Mandating valid passport information at the time of the DV Program entry would augment vetting and screening processes to ensure national security. It would also make it more difficult for third parties to submit an unauthorized entry because they are less likely to have the individual's unique identifiers, protecting potential petitioners by ensuring that they alone can enter the program using their unique information. The information provided via a scanned image enhances identity (and therefore security) by reducing the likelihood of providing a fabricated passport number. As the Department's systems modernize, the Department may explore automatically pre-filling certain data fields [captured from the scan] in the DV Program entry to reduce typographical errors and entrant burden. In addition, the scan potentially provides new information—not otherwise collected—that may be relevant and critical to DV adjudication in ways that applicant self-disclosure does not provide:

Name: The foundation of all national security vetting starts with the applicant's name, which appears in the applicant's native alphabet on the passport. Requiring a scan of the principal applicant's biographical page will enable adjudicators to compare the spelling of the principal applicant's name in his or her native alphabet on the passport with the applicant's own [English-language] spelling in his or her petition, which may differ. Having this information will also enable the Department to conduct its security and other identity vetting measures in reliance on the principal applicant's name as provided in his or her original language, and to identify the various transliterations that may be associated with a particular name. Transliteration refers to the process of writing or printing a letter or word using the closest corresponding letters of a different alphabet or script. Likewise, Romanization, or Latinization, describes the process by which languages that normally do not use the Latin alphabet are converted into Latin letters. There are often several ways to Romanize a language. For the Russian language, the Soviet Union invented several systems, and the United Nations and the International Organization for Standardization invented two of the others. There are also several methods for converting names that are Arabic, Japanese, or Chinese in origin. Some Romanization systems are based on the writing system of the original language, some are based on speech in the original language, and some are based on both. In other words, some Romanization systems are based on transliteration, and others are based on transcription. Having the official transcription or transliteration of the principal applicant's name will ensure that our security and identity vetting starts with this basic official, verified information.

Place of Birth: Like the date of birth, the applicant's place of birth is foundational to our security, identity vetting, and screening. The place of birth is also foundational to the rules relating to foreign state of chargeability, including for purposes of determining the foreign state of which the principal applicant is a ''native'' under INA section 203(c). The numerical limitations prescribed in INA sections 201, 202, and 203 apply to foreign states and dependent areas. An IV applicant subject to these numerical limitations is generally chargeable to the numerical limitation applicable to the applicant's place of birth, with certain exceptions described in INA section 202(b). An IV applicant born in a dependent area is chargeable to the dependent area (to ensure compliance with the dependent-area limitation imposed in INA section 202), as well as to the foreign state on which the area is dependent. Currently, entrants to the Diversity Visa program self-select their foreign state of chargeability from the drop-down list provided on the DS–5501 form, and this information cannot be verified until the individual makes his or her application for a visa. Requiring verification of this information earlier in the program, via a scan of the biographic information page of the entrant's valid, unexpired passport, will enable the Department to better assess selectees' eligibility on the basis of their birth in, and chargeability to, a ''low-admission'' foreign state—a fundamental requirement of eligibility for the program under INA section 203(c).

Dates of issue and expiration: Issuance and expiration dates, as depicted on a passport scan, provide critical information about the status of the person in his or her own country that would not otherwise be available to the Department in the review of the applicant's case. Passports issued for a limited duration may indicate potential lines of inquiry relevant to a DV

[6] INA sec. 101(a)(30), 8 U.S.C. 1101(a)(30 (''The term 'passport' means any travel document issued by competent authority showing the bearer's origin, identity, and nationality if any, which is valid for the admission of the bearer into a foreign country.'').

[7] 22 CFR 42.64(a) (''Passport, as defined in INA 101(a)(30), is not limited to a national passport or to a single document. A passport may consist of two or more documents which, when considered together, fulfill the requirements of a passport, provided that documentary evidence of permission to enter a foreign country has been issued by a competent authority and clearly meets the requirements of INA 101(a)(30).'').

[8] *See* Visas: Diversity Immigrants, 84 FR 25989 (June 5, 2019).

[9] *See E.B.* v. *U.S. Dep't of State,* 583 F. Supp. 3d 58 (D.D.C. 2022). In that case, the court held that the 2019 Interim Final Rule violated the Administrative Procedure Act because the Department should have pursued notice and comment rulemaking as it is undertaking here. Because the registration period for the 2023 DV Program Year had already taken place at the time of the court's decision, 2024 was the first Program Year in which the Department no longer required a passport at the registration period.

[10] Exec. Order 14161, 90 FR 8451 (Jan. 20, 2025) (published Jan. 30, 2025), *https://www.federalregister.gov/documents/2025/01/30/2025-02009/protecting-the-united-states-from-foreign-terrorists-and-other-national-security-and-public-safety.*

adjudication. For example, passports with a limited duration may be issued to fugitives, those indebted to the issuing government or to those who have outstanding child-support obligations. All this information may lead to information relevant to security, economic or other grounds of ineligibility under the INA.

Signature Page: The written signature (or usual mark, for those unable to sign) in a passport serves several security functions that help prevent fraud and ensure authenticity. First, it provides a unique, personal mark that can be compared against other official documents to confirm the passport holder's identity. Second, since handwritten signatures are difficult to replicate exactly, they add an additional layer of security against fraudulent passport alterations. Third, the signature validates that the passport is issued to the correct individual. Finally, the written signature page provides enhanced security screening by allowing adjudicating officers to compare an applicant's signature with their official records to detect discrepancies that could indicate identity fraud.

In addition to the above benefits derived from requiring a passport scan, requiring the unique identifying number of the passport would also enable the Department to more effectively identify and disqualify duplicate entries for a given fiscal year, as required under INA section 204(a)(1)(I)(i). The Department's fraud prevention experts confirmed that in the FY25 DV Program, over 2.5 million duplicate entries were disqualified pursuant to INA section 204(a)(1)(I)(i). Comparatively, during the FY22 DV Program, during which the passport requirement was in effect, only 760,079 duplicate entries were disqualified.

As a further example of how this rule can directly reduce fraud in the DV program, Embassy Tashkent (Uzbekistan) observed a reduction in the number of DV cases displaying these incomplete data from scammer submissions in the DV2022 and DV2023 program years, during which the passport requirement was in effect. The Embassy reported that the passport requirement temporarily forced visa brokers to update the biodata in a DV entrant's registration, disrupting the widespread practice of creating DV entries based on old or incomplete data.

Under the proposed rule, there would be three exceptions to the passport requirement:

1. The petitioner is stateless.

2. The petitioner is a national of a Communist-controlled country and unable to obtain a passport from the government of the Communist-controlled country.

3. The petitioner is the beneficiary of an individual waiver approved by the Secretary of Homeland Security and the Secretary of State.

These exceptions are consistent with the passport waivers for immigrant visa applicants provided for in 22 CFR 42.2(d), (e), and (g)(2). A petitioner must indicate that he or she falls into one of these three circumstances on the electronic entry form instead of providing information from their valid, unexpired passport.[11] A petitioner who fails to provide the required information on their entry form or who claims an exemption for which they are not later found to qualify may be disqualified. Petitioners would be advised to keep a scanned copy or photocopy of the passport they use to apply for the DV Program and may be denied if they are unable to produce sufficient proof that the passport number on their application was their valid passport at time of application.

Department fraud prevention experts confirm that because most countries' passports adhere to the International Civil Aviation Organizations (ICAO) standards, which require enhanced security features and biometric identification, requiring a passport is an additional effort to vet persons applying for entry to the United States and identify those who may intend to threaten our national security and U.S. interests. Passport information (via databases, personnel, or actual documents) should be the most guarded and difficult for scammers to access. Asking for a national ID is not as effective because not all countries, including the United States, have a national ID, and the reliability of such documents varies from country to country, but is generally considered lower than that of the national passport.

The Department also considered alternative means to discourage unauthorized third-party entries in the DV program but did not identify any options that could be implemented in countries with varying internet capacities or alternative unique identifiers that offered the same reliable means to confirm the petitioner's identity. The Department considered requiring multi-factor authentication, which would require the collection of email addresses and phone numbers. However, those identifiers are more easily obtained or fraudulently created by third parties. The Department also considered requiring live photos but ultimately determined that this option was not presently viable due to technological limitations in the application process.

While the Department anticipates that not all potential DV petitioners may have a passport at the time of DV entry, this requirement would significantly advance the Department's ability to confirm the identity of petitioners and conduct screening and vetting that are required for national security.

In addition to the passport requirements, the Department would synchronize all language in this chapter to reflect the use of the term ''sex,'' as directed in Section 2, paragraph (a) in Executive Order 14168, ''Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government,'' signed January 20, 2025.[12] The Department also proposes to standardize and amend language in 22 CFR part 42 including adding the word ''shall'' to simplify guidance for consular officers and replacing the term ''age'' in 22 CFR 42.33(h)(1)(i) with the phrase ''date of birth'' to accurately reflect the information collected and maintained by the Department during the immigrant visa process.

IV. Benefits and Costs

Benefits

The requirement to include information from the alien's valid, unexpired passport at the time of entry to the DV Program would protect U.S. national security by enabling the Department to confirm a petitioner's identity at the entry stage and would help to deter third party or criminal organizations from submitting unauthorized and fraudulent entries. The requirement to provide a scanned image enhances identity (and therefore security) by reducing the likelihood of providing a fabricated passport number and will enable adjudicators to compare the spelling of the principal applicant's name in his or her native alphabet on the passport with the applicant's own English-language spelling in his or her

[11] If a petitioner indicates on the DS–5501 form that he or she will request a waiver and is randomly selected to participate in the DV program, the consular officer will consider a passport waiver upon the petitioner's completion of a visa application, consistent with 9 FAM 201.2–5 and, if appropriate, submit a request to issue a visa on form DS–232 (Unrecognized Passport or Waiver Cases). When approved by the Department and DHS (when necessary), the approval permits the use of the DS–232 in lieu of a passport.

[12] Exec. Order 14168, 90 FR 8615 (Jan. 20, 2025) (published Jan. 30, 2025), *https://www.federalregister.gov/documents/2025/01/30/2025-02090/defending-women-from-gender-ideology-extremism-and-restoring-biological-truth-to-the-federal.*

petition. Having this information will also enable the Department to conduct its security and other identity vetting measures in reliance on the principal applicant's name as provided in his or her original language, and to identify the various transliterations that may be associated with a particular name.

Additionally, knowing an alien's place of birth will enable the consular adjudicator to confirm the foreign state of which the principal applicant is a ''native'' under INA section 203(c). The numerical limitations prescribed in INA sections 201, 202, and 203 apply to foreign states and dependent areas. An IV applicant subject to these numerical limitations is generally chargeable to his or her place of birth, with certain exceptions described in INA section 202(b). An IV applicant born in a dependent area is chargeable to the dependent area (to ensure compliance with the dependent-area limitation imposed in INA section 202), as well as to the foreign state on which the area is dependent. Currently, entrants to the Diversity Visa program self-select their foreign state of chargeability from the drop-down list provided on the DS–5501 form, and this information cannot be verified until the individual makes his or her application for a visa. Requiring verification of this information earlier in the program, via a scan of the biographic information page of the entrant's valid, unexpired passport, will enable the Department to better assess selectees' eligibility on the basis of their birth in, and chargeability to, a ''low-admission'' foreign state—a fundamental requirement of eligibility for the program under INA section 203(c).[13]

Finally, collection of the dates of issue and expiration can provide critical information about the status of the person in his or her own country that would not otherwise be available to the Department in the review of the applicant's case. For example, passports issued for a limited duration period may indicate potential lines of inquiry that a consular officer finds relevant to a DV adjudication. All this information may lead to information relevant to security, economic or other grounds of ineligibility under the INA. The requirement to collect the signature page likewise serves several security functions and ensures both authenticity and that the passport was issued to the correct individual.

Costs

This proposed regulation would require some petitioners to obtain a passport at the time of application to the DV Program rather than after being selected for an interview. According to research conducted by the Visa Office of the Department's Bureau of Consular Affairs, the average price of a passport in countries that are eligible to participate in the DV Program is $74.43.[14] The Department seeks public comment on the accuracy of its estimate of the average price of a passport in DV Program eligible countries as well as the unquantified burdens of obtaining a passport in those countries.

The Department estimates that, on average, responding to the new requirements in this information collection request would take approximately twenty minutes, which includes gathering the passport, supplying the number in the application, photographing or scanning the passport and uploading the image file. The Department estimates five minutes for the gathering of the passport and supplying the number and fifteen minutes for scanning and submitting the image. The Department assumes that most entrants will be able to quickly scan the passport with a single photo taken by a mobile phone. The International Civil Aviation Organization's passport specifications indicate that the signature will normally be on the biographic data page, though it may also be placed on the page adjacent to or on the back of the data page. When the signature is not on or adjacent to the data page, the entrant will need to combine two images into one. Although this can be accomplished on a mobile phone, it will take more time and skill, and it is possible that some entrants will seek assistance from a third party. The Department seeks comment on its estimate of these costs, including the prevalence of mobile phone usage among the population of DV program entrants.

To place a cost value on this effort, the Department analyzed wage data from the International Labor Organization [15] for countries eligible to participate in the DV Program for DV–2025.[16] After filtering out non-DV eligible countries, 193 countries and territories remained. The ILO data set indicated the most recent year each country's data was obtained, which ranged from 2013 to 2023, with most of the data points being from 2018 and later. The analysis used average hourly wage when available; if not, minimum hourly wage was substituted. Most of the data was reported in U.S. dollars. For wages not listed in U.S. dollars, the wage listed was converted into U.S. dollars using average conversion rates from the year the data was obtained. The calculated wage was then averaged across all of the DV-eligible countries and determined to be $4.56 per hour. When converted to the 20-minute additional time burden, it yielded a time cost of $1.52 per response. Multiplied by the number of potential respondents based on the most recent cycles (25,000,000), the Department estimates the additional time cost at $38,000,000 globally.

Requirement Not Expected To Negatively Impact Program Outcomes

The Department does not believe that this requirement would substantially deter participation by legitimate petitioners, and the Department notes that petitioners who are selected are already required to have a passport before moving forward in the process. While the Department recognizes that the increased burden and cost of obtaining a passport before entering the DV program could, for the marginally legitimate entrant, deter participation and result in fewer annual entrants overall, the Department expects that all the available DVs will continue to be utilized and security of the program will be strengthened. The Department is unaware of reliable data on the rates of passport ownership in DV Program countries. To help better inform the analysis of benefits and costs of this rule, the Department seeks comment from the public on the rates of passport ownership in such countries. As mentioned above in Section III, this requirement was initially put in

[13] The Department acknowledges there may be cases in which the petitioner may benefit from chargeability derived from a spouse or other family member, consistent with INA 202(b) and 22 CFR 42.12.

[14] Statistics were compiled by reviewing publicly available information provided by foreign governments of DV-eligible countries. Currency conversions were completed using a leading commercial currency conversion source. For many countries, the fee for obtaining a passport was not clearly available on public sources. The Department also notes that there may be additional costs to obtaining a passport beyond the stated fee; the Department is unable to quantify such additional, unstated, or opportunity costs.

[15] *See ILO.Org Wage Data Set: https://rplumber.ilo.org/data/indicator/?id=EAR_4HRL_SEX_OCU_CUR_NB_A&sex=SEX_T&classif1=OCU_SKILL_TOTAL&classif2=CUR_TYPE_LCU+CUR_TYPE_USD&type=label&format=.csv.*

[16] *See Department's DV–2025 Program Instructions: https://travel.state.gov/content/dam/visas/Diversity-Visa/DV-Instructions-Translations/dv-2025-instructions-translations/DV-2025_Instructions-faqs.pdf.*

place in 2019[17] and was in effect for the 2021, 2022, and 2023 DV Program years.[18][19] both prior to and during the period in which aliens were required to include passport information with their DV entry:

TABLE 1—DIVERSITY VISA PROGRAM PARTICIPATION LEVELS 2016–2023 PROGRAM YEARS

	Diversity visa program			
	Program year	Entrants	Selectees	Visas issued
Pre-Requirement	2016	11,391,146	91,563	46,718
	2017	12,437,190	83,910	49,976
	2018	14,692,258	115,968	49,713
	2019	14,352,013	87,610	45,889
	2020	14,722,798	83,884	*19,125
Passport Requirement in Place	2021	*6,741,128	132,404	*18,912
	2022	7,336,302	119,021	55,882
	2023	9,570,291	119,262	55,076
No Passport Required	**2024	23,823,436	78,767	54,554

** Impacted by COVID–19 pandemic.*
*** Program Year 2024 data is preliminary until the Department's Annual Report of the Visa Office is published.*

Although the Department received fewer entries in the program years during which this requirement was in effect, in all years the Department received entries from more individuals from each of the six geographic regions created by INA section 203(c) than there were diversity visas available for each region, confirming that the Interim Final Rule was not unduly burdensome on nationals of any region and did not affect the Department's ability to fully implement the program as Congress intended.[20] In terms of the other language changes noted to comply with Executive Orders and provide clarity, the Department does not anticipate these to result in any additional costs.

Regulatory Findings

A. Administrative Procedure Act

The Secretary of State has determined that all policy related to visa operations and issuance, among other matters, constitutes a foreign affairs function of the United States under the Administrative Procedure Act (5 U.S.C. 553).[21] However, due to the Department's interest in seeking public comment on this rulemaking, the Department is soliciting comments during a 45-day comment period, to which it will respond in a final rule, should the Department choose to finalize all or part of this proposal.

B. Regulatory Flexibility Act/Executive Order 13272: Small Business

This proposed rule would not regulate ''small entities'' as that term is defined in 5 U.S.C. 601(6) and as such would not have a significant economic impact on a substantial number of small entities. This NPRM only proposes to regulate individual visa applicants. The Department affirms that this proposed rule would not have a significant economic impact on a substantial number of small entities.

C. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1532, generally requires agencies to prepare a statement before proposing any rule that may result in an annual expenditure of $100 million or more by State, local, or Tribal governments, or by the private sector. This proposed rule does not require the Department to prepare a statement because it would not result in any such expenditure, nor would it significantly or uniquely affect small governments. This proposed rule involves visas, which involve foreign individuals, and does not directly or substantially affect state, local, or Tribal governments, or businesses.

D. Executive Order 12866 (Regulatory Planning and Review) and Executive Order 13563 (Improving Regulation and Regulatory 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. These Executive Orders stress the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. The Office of Information and Regulatory Affairs has determined that this is a significant regulatory action under Section 3(f) of Executive Order 12866. A discussion of the estimated costs and benefits of the proposed rule can be found above and the Department welcomes comments, including alternative estimates, on its analysis.

E. Executive Orders 12372 and 13132: Federalism

This proposed regulation would not have substantial direct effects on the States, on the relationship between the national government and the States, or the distribution of power and responsibilities among the various levels of government. This proposed rule would also not have federalism implications warranting the application of Executive Orders 12372 and 13132.

[17] *See* Visas: Diversity Immigrants, 84 FR 25989 (June 5, 2019).

[18] *See E.B.* v. *U.S. Dep't of State,* 583 F. Supp. 3d 58 (D.D.C. 2022). In that case, the court held that the 2019 Interim Final Rule violated the Administrative Procedure Act because the Department should have pursued notice and comment rulemaking as it is undertaking here.

[19] *See Diversity Visa Program Statistics: https://travel.state.gov/content/travel/en/us-visas/immigrate/diversity-visa-program-entry/diversity-visa-program-statistics.html.*

[20] The Department's most recent data for program year 2023 on the number of selected entrants by country and region can be found at *https://travel.state.gov/content/travel/en/us-visas/immigrate/diversity-visa-program-entry/dv-2023-selected-entrants.html.* Historical data for program years 2011–2023 can be found at *https://travel.state.gov/content/travel/en/us-visas/immigrate/diversity-visa-program-entry/diversity-visa-program-statistics.html.*

[21] *See* Determination: Foreign Affairs Function of the United States, 90 FR 12200 (Mar. 14, 2025).

F. Executive Order 12988: Civil Justice Reform

The Department has reviewed this proposed rule in light of sections 3(a) and 3(b)(2) of Executive Order 12988 to eliminate ambiguity, minimize litigation, establish clear legal standards, and reduce burdens.

G. Executive Order 14192—Unleashing Prosperity Through Deregulation

This rule is exempt from Executive Order 14192 as it is a regulation issued with respect to a foreign affairs, national security, homeland security and immigration-related function of the United States.

H. Executive Order 13175—Consultation and Coordination With Indian Tribal Governments

The Department has determined that this proposed rule would not have Tribal implications, would not impose substantial direct compliance costs on Indian Tribal governments, and would not pre-empt Tribal law. Accordingly, the requirements of Section 5 of Executive Order 13175 do not apply to this rulemaking.

I. Paperwork Reduction Act

The Department invites comment on any burden estimates included in the proposed collection of information. Comments are encouraged and will be accepted for 45 days from the publication date of this NPRM. All submission must include the OMB Control Number 1405–0153 in the body of the letter and the agency name. 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–2025–0001'' in the Search field. Then click the ''Comment Now'' button and complete the comment form.
- *Email: PRA_BurdenComments@state.gov.*
- *Phone:* 202–485–7586.

You must include the DS form number (if applicable), information collection title, and the OMB control number in any correspondence. As well as current contact information to allow us to respond.

Supplementary Information

- *Title of Information Collection:* Electronic Diversity Visa Entry Form.
- *OMB Control Number:* 1405–0153.
- *Type of Request:* Extension of a Currently Approved Collection.
- *Originating Office:* CA/VO.
- *Form Number:* DS–5501.
- *Respondents:* Diversity Visa Petitioners.
- *Estimated Number of Respondents:* 25,000,000.
- *Estimated Number of Responses:* 25,000,000.
- *Average Time per Response:* 50 minutes.
- *Total Estimated Burden Time:* 20,833,333.33 hours.
- *Frequency:* Annually.
- *Obligation to Respond:* Required to Obtain or Retain a Benefit.

Abstract of Proposed Collection

The Department of State utilizes the Electronic Diversity Visa Entry (DS–5501) to elicit information necessary to establish the eligibility of the petitioner for the DV Program. The two primary requirements of the program are: (1) the petitioner is a native of a low admission country, and (2) has at least a high school education or its equivalent, or within five years of the date of an application for a visa has two years of work experience in an occupation which requires at least two years of training or experience. The Department is proposing to amend the DS–5501 to require that entrants provide information for a valid, unexpired passport consistent with the notice of proposed rulemaking above. The Department of State randomly selects qualified petitioners for further participation in the program.

Methodology

The DS–5501 is available online at *www.dvprogram.state.gov* and can only be submitted electronically during the annual entry period.

List of Subjects in 22 CFR Part 42

Immigration, Passports and visas.

For the reasons stated in the preamble, the Department proposes to amend 22 CFR part 42 to read as follows:

PART 42—VISAS: DOCUMENTATION OF IMMIGRANTS UNDER THE IMMIGRATION AND NATIONALITY ACT, AS AMENDED

■ 1. The authority citation for Part 42 reads as follows:

Authority: 22 U.S.C. 2651a; 8 U.S.C. 1104; 8 U.S.C. 1151; 8 U.S.C. 1153–1154; Pub. L. 105–277, 112 Stat. 2681–795 through 2681–801; 8 U.S.C. 1185 note (section 7209 of Pub. L. 108–458, as amended by section 546 of Pub. L. 109–295).

§ 42.33 [Amended]

■ 2. Revise § 42.33 to read as follows:

(a) General—

(1) Eligibility to compete for consideration under section 203(c). An alien will be eligible to compete for consideration for visa issuance under INA 203(c) during a fiscal year only if he or she is a native of a low-admission foreign state, as determined by the Secretary of Homeland Security pursuant to INA 203(c)(1)(E), with respect to the fiscal year in question; and if he or she has at least a high school education or its equivalent or, within the five years preceding the date of application for a visa, has two years of work experience in an occupation requiring at least two years training or experience. The eligibility for a visa under INA 203(c) ceases at the end of the fiscal year in question. Under no circumstances may a consular officer issue a visa or other documentation to an alien after the end of the fiscal year during which an alien possesses diversity visa eligibility.

(2) Definition of high school education or its equivalent. For the purposes of this section, the phrase high school education or its equivalent means the successful completion of a twelve-year course of elementary and secondary education in the United States or successful completion in another country of a formal course of elementary and secondary education comparable to completion of twelve years' elementary and secondary education in the United States.

(3) Determinations of work experience. Consular officers shall use the Department of Labor's O*Net On Line to determine qualifying work experience.

(4) Limitation on number of petitions per year. No more than one petition may be submitted by, or on behalf of, any alien for consideration during any single fiscal year. If two or more petitions for any single fiscal year are submitted by, or on behalf of, any alien, all such petitions will be void pursuant to INA 204(a)(1)(I)(i) and the alien by or for whom the petition has been submitted will not be eligible for consideration for diversity visa issuance during the fiscal year in question.

(5) Northern Ireland. For purposes of determining eligibility to file a petition for consideration under INA 203(c) for a fiscal year, the districts comprising that portion of the United Kingdom of Great Britain and Northern Ireland, known as ''Northern Ireland,'' will be treated as a separate foreign state. The districts comprising ''Northern Ireland'' are Antrim, Ards, Armagh, Ballymena, Ballymoney, Banbridge, Belfast, Carrickfergus, Castlereagh, Coleraine, Cookstown, Craigavon, Down, Dungannon, Fermanagh, Larne, Limavady, Lisburn, Londonderry, Magherafelt, Moyle, Newry and Mourne,

Newtownabbey, North Down, Omagh, and Strabane.

(b) Petition requirement. An alien claiming to be entitled to compete for consideration under INA 203(c) must file a petition with the Department of State for such consideration. At the alien petitioner's request, another person may file a petition on behalf of the alien. The petition will consist of an electronic entry form that the alien petitioner or a person acting on behalf of the alien petitioner must complete on-line and submit to the Department of State via a website established by the Department of State for the purpose of receiving such petitions. The Department will specify the address of the website prior to the commencement of the 30-day or greater period described in paragraph (b)(3) of this section using the notice procedure prescribed in that paragraph.

(1) Information to be provided in the petition. The electronic entry form mentioned in paragraph (b) of this section will require the person completing the form to provide the following information, typed in the Roman alphabet, regarding the petitioner:

(i) The petitioner's full name;

(ii) The petitioner's date and place of birth (including city and country);

(iii) The petitioner's sex;

(iv) The country of which the petitioner claims to be a native, if other than the country of birth;

(v) The name(s), date(s) and place(s) of birth and sex of the petitioner's spouse and child(ren), if any, (including legally adopted and step-children), regardless of whether or not they are living with the petitioner or intend to accompany or follow to join the petitioner should the petitioner immigrate to the United States pursuant to INA 203(c), but excluding a spouse or a child(ren) who is already a U.S. citizen or U.S. lawful permanent resident;

(vi) A current mailing address for the petitioner;

(vii) The location of the consular office nearest to the petitioner's current residence or, if in the United States, nearest to the petitioner's last foreign residence prior to entry into the United States, and

(viii) The unique serial or issuance number associated with the petitioner's valid, unexpired passport, petitioner name, country or authority of passport issuance, and expiration date, unless the petitioner would be exempt from the passport requirement pursuant to 22 CFR 42.2(d), (e), or (g)(2).

(2) *Requirements for photographs.* The petition will also require inclusion of a photograph of the petitioner and of his or her spouse and all unmarried children under the age of 21 years. The photographs must meet the following specifications:

(i) A digital image of the applicant from either a digital camera source or a scanned photograph via scanner. If scanned, the original photographic print must have been 2″ by 2″ (50mm × 50mm). Scanner hardware and digital image resolution requirements will be further specified in the public notice described in paragraph (b)(3) of this section.

(ii) The image must be in the Joint Photographic Experts Group (JPEG) File Interchange Format (JFIF) format.

(iii) The image must be in color.

(iv) The image must have been taken no more than six months prior to the date of the petition submission.

(v) The person being photographed must be directly facing the camera with the head neither tilted up, down, or to the side. The head must cover about 50% of the area of the photograph.

(vi) The photograph must be taken with the person in front of a neutral, light-colored background. Photos taken with very dark or patterned, busy backgrounds will not be accepted.

(vii) The person's face must be in focus.

(viii) The person in the photograph must not wear eyeglasses, sunglasses, or other paraphernalia that obstruct the view of the face.

(ix) A photograph with the person wearing a head covering or a hat is only acceptable if the covering or hat is worn specifically due to that person's religious beliefs, and even then, the hat or covering may not obscure any portion of the face. A photograph of a person wearing tribal, military, airline or other headgear not specifically religious in nature will not be accepted.

(3) Requirements for passport scans. The petition will also require a scan of the petitioner's biographic and signature page from their valid, unexpired passport. The scan must meet the following requirements:

(i) The image must be in the Joint Photographic Experts Group (JPEG) File Interchange Format (JFIF) format. No Portable Document Format (PDF) will be accepted.

(ii) The file size must not exceed 5 megabytes (MB).

(4) Submission of petition. A petition for consideration for visa issuance under INA 203(c) must be submitted to the Department of State by electronic entry to an internet website designated by the Department for that purpose. No fee will be collected at the time of submission of a petition, but a processing fee may be collected at a later date, as provided in paragraph (i) of this section. The Department will establish a period of not less than thirty days during each fiscal year within which aliens may submit petitions for approval of eligibility to apply for visa issuance during the following fiscal year. Each fiscal year the Department will give timely notice of both the website address and the exact dates of the petition submission period, as well as other pertinent information, through publication in the **Federal Register** and such other methods as will ensure the widest possible dissemination of the information, both abroad and within the United States.

(c) Processing of petitions. Entries received during the petition submission period established for the fiscal year in question and meeting all of the requirements of paragraph (b) of this section will be assigned a number in a separate numerical sequence established for each regional area specified in INA 203(c)(1)(F). Upon completion of the numbering of all petitions, all numbers assigned for each region will be separately rank-ordered at random by a computer using standard computer software for that purpose. The Department will then select in the rank orders determined by the computer program a quantity of petitions for each region estimated to be sufficient to ensure, to the extent possible, usage of all immigrant visas authorized under INA 203(c) for the fiscal year in question. The Department will consider petitions selected in this manner to have been approved for the purposes of this section.

(d) Validity of approved petitions. A petition approved pursuant to paragraph (c) of this section will be valid for a period not to exceed midnight of the last day of the fiscal year for which the petition was approved. At that time, the Department of State will consider approval of the petition to cease to be valid pursuant to INA 204(a)(1)(I)(ii)(II), which prohibits issuance of visas based upon petitions submitted and approved for a fiscal year after the last day of that fiscal year.

(e) Order of consideration. Consideration for visa issuance to aliens whose petitions have been approved pursuant to paragraph (c) of this section will be in the regional rank orders established pursuant that paragraph.

(f) Allocation of visa numbers. To the extent possible, diversity immigrant visa numbers will be allocated in accordance with INA 203(c)(1)(E) and will be allotted only during the fiscal year for which a petition to accord diversity immigrant status was submitted and

approved. Under no circumstances will immigrant visa numbers be allotted after midnight of the last day of the fiscal year for which the petition was submitted and approved.

(g) Further processing. The Department will inform applicants whose petitions have been approved pursuant to paragraph (c) of this section of the steps necessary to meet the requirements of INA 222(b) in order to apply formally for an immigrant visa.

(h) Maintenance of certain information.

(1) The Department will compile and maintain the following information concerning petitioners to whom immigrant visas are issued under INA 203(c):

(i) Date of birth;

(ii) Country of birth;

(iii) Marital status;

(iv) Sex;

(v) Level of education; and

(vi) Occupation and level of occupational qualification.

(2) The Department will not maintain the names of visa recipients in connection with this information and the information will be compiled and maintained in such form that the identity of visa recipients cannot be determined therefrom.

(i) Diversity Visa Lottery fee. Consular officers shall collect, or ensure the collection of, the Diversity Visa Lottery fee from those persons who apply for a diversity immigrant visa, described in INA 203(c), after being selected by the diversity visa lottery program. The Diversity Visa Lottery fee, as prescribed by the Secretary of State, is set forth in the Schedule of Fees, 22 CFR 22.1.

* * * * *

John L. Armstrong,

Senior Bureau Official, Bureau of Consular Affairs, U.S. Department of State.

[FR Doc. 2025–14784 Filed 8–4–25; 8:45 am]

BILLING CODE 4710–06–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 17

[Docket No. FWS–R5–ES–2024–0058; FXES1113090FEDR–256–FF09E22000]

RIN 1018–BF57

Endangered and Threatened Wildlife and Plants; Removal of Virginia Sneezeweed From the List of Endangered and Threatened Plants

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Proposed rule.

SUMMARY: We, the U.S. Fish and Wildlife Service (Service), propose to remove Virginia sneezeweed (*Helenium virginicum*) from the Federal List of Endangered and Threatened Plants. Our review indicates that the threats to Virginia sneezeweed 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, we propose to delist Virginia sneezeweed. If we finalize this rule as proposed, the prohibitions and conservation measures provided by the Act, particularly through sections 7 and 9, would no longer apply to Virginia sneezeweed.

DATES: We will accept comments received or postmarked on or before October 6, 2025. Comments submitted electronically using the Federal eRulemaking Portal (see **ADDRESSES**, below) must be received by 11:59 p.m. eastern time on the closing date. We must receive requests for a public hearing, in writing, at the address shown in **FOR FURTHER INFORMATION CONTACT** by September 19, 2025.

ADDRESSES: You may submit comments by one of the following methods:

(1) *Electronically:* Go to the Federal eRulemaking Portal: *https://www.regulations.gov.* In the Search box, enter FWS–R5–ES–2024–0058, which is the docket number for this rulemaking. Then, click on the Search button. On the resulting page, in the Search panel on the left side of the screen, under the Document Type heading, check the Proposed Rule box to locate this document. You may submit a comment by clicking on ''Comment.''

(2) *By hard copy:* Submit by U.S. mail to: Public Comments Processing, Attn: FWS–R5–ES–2024–0058, U.S. Fish and Wildlife Service, MS: PRB/3W, 5275 Leesburg Pike, Falls Church, VA 22041–3803.

We request that you send comments only by the methods described above. We will post all comments on *https://www.regulations.gov.* This generally means that we will post any personal information you provide us (see Information Requested, below, for more information).

Availability of supporting materials: This proposed rule and supporting documents, including the 5-year review and the draft Recovery Plan, are available online at *https://www.regulations.gov* under Docket No. FWS–R5–ES–2024–0058 and on the Service's Northeast Region website at *https://www.fws.gov/species/virginia-sneezeweed-helenium-virginicum,* and in person at the Virginia Field Office (see **FOR FURTHER INFORMATION CONTACT**).

FOR FURTHER INFORMATION CONTACT: Troy Andersen, Field Office Supervisor, Virginia Field Office, 6669 Short Lane, Gloucester, VA 23061; telephone: 804–728–0695. 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. Please see Docket No. FWS–R5–ES–2024–0058 on *https://www.regulations.gov* for a document that summarizes this proposed rule.

SUPPLEMENTARY INFORMATION:

Information Requested

We intend that any final action resulting from this proposed rule will be based on the best scientific and commercial data available and be as accurate and as effective as possible. Therefore, we request comments or information from other concerned governmental agencies, Native American tribes, the scientific community, industry, or any other interested parties concerning this proposed rule.

We particularly seek comments concerning:

(1) Reasons we should or should not remove Virginia sneezeweed from the List of Endangered and Threatened Plants;

(2) Relevant data concerning any threats (or lack thereof) to Virginia sneezeweed, particularly any data on the possible effects of climate change as it relates to habitat, as well as the extent of State protection and management that would be provided to this plant as a delisted species;

(3) Current or planned activities within the geographic range of Virginia sneezeweed that may have either a negative or positive impact on the species; and

(4) Considerations for post-delisting monitoring, including monitoring protocols and length of time monitoring is needed, as well as triggers for reevaluation.

Please include sufficient information with your submission (such as scientific journal articles or other publications) to allow us to verify any scientific or commercial information you include.

Please note that submissions merely stating support for, or opposition to, the action under consideration without

providing supporting information, although noted, do not provide substantial information necessary to support a determination. Section 4(b)(1)(A) of the Act directs that determinations as to whether any species is an endangered species or a threatened species must be made solely on the basis of the best scientific and commercial data available.

You may submit your comments and materials concerning this proposed rule by one of the methods listed in **ADDRESSES**. We request that you send comments only by the methods described in **ADDRESSES**.

If you submit information via *https://www.regulations.gov,* your entire submission—including any personal identifying information—will be posted on the website. If your submission is made via a hardcopy that includes personal identifying information, you may request at the top of your document that we withhold this information from public review. However, we cannot guarantee that we will be able to do so. We will post all hardcopy submissions on *https://www.regulations.gov.*

Our final determination may differ from this proposal because we will consider all comments we receive during the comment period as well as any information that may become available after this proposal. For example, based on the new information we receive (and any comments on that new information), we may conclude that the species should remain listed as threatened, or we may conclude that the species should be reclassified from threatened to endangered. We will clearly explain our rationale and the basis for our final decision, including why we made changes, if any, that differ from this proposal.

Public Hearing

Section 4(b)(5) of the Act (16 U.S.C. 1533(b)(5)) provides for a public hearing on this proposal, if requested. Requests must be received by the date specified above in **DATES**. Such requests must be sent to the address shown in **FOR FURTHER INFORMATION CONTACT**. We will schedule a public hearing on this proposal, if requested, and announce the date, time, and place of the hearing, as well as how to obtain reasonable accommodations, in the **Federal Register** and local newspapers at least 15 days before the hearing. We may hold the public hearing in person or virtually via webinar. We will announce any public hearing on our website, in addition to the **Federal Register**. The use of these virtual public hearings is consistent with our regulation at 50 CFR 424.16(c)(3).

Peer Review

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 of listing actions under the Act, we will seek independent scientific reviews from at least three appropriate and independent specialists regarding scientific data and interpretations contained in this proposed rule. We will send copies of this proposed rule to the peer reviewers immediately following publication in the **Federal Register**. We will ensure that the opinions of peer reviewers are objective and unbiased by following the guidelines set forth in the August 22, 2016, memorandum, which updates and clarifies Service policy on peer review (U.S. Fish and Wildlife Service 2016). The purpose of such review is to ensure that our decisions are based on scientifically sound data, assumptions, and analysis. Accordingly, our final decision may differ from this proposal. Comments from peer reviewers will be posted at *https://www.regulations.gov* and included in the decision file for the final rule.

Previous Federal Actions

On November 28, 1983, we published a notice of review in the **Federal Register** (48 FR 53640) covering all native plants being considered for listing as endangered or threatened; we included Virginia sneezeweed in this notice as a category 2 candidate species. We defined category 2 candidates as those taxa for which we had information indicating that listing may be warranted but for which we lacked sufficient information on status and threats to support issuance of proposed listing rules. We retained Virginia sneezeweed as a category 2 candidate species in 1985 (50 FR 39526; September 27, 1985).

In 1990, we designated Virginia sneezeweed as a category 1 candidate species (55 FR 6207; February 21, 1990), and we retained the species as a category 1 candidate in 1993 (58 FR 51144; September 30, 1993), based largely on the fieldwork completed by the Virginia Department of Conservation and Recreation's Division of Natural Heritage (VDCR–DNH) in 1990 and 1991. We defined category 1 candidates as those taxa for which we had on file sufficient information on biological vulnerability and threats to support preparation of listing proposals.

In a notice of review published in the **Federal Register** on February 28, 1996 (61 FR 7596), we ceased using category designations and recognized Virginia sneezeweed as simply a candidate species. Candidate species are those taxa for which we have on file sufficient information on biological vulnerability and threats to support proposals to list the species as endangered or threatened.

On September 29, 1997, we published in the **Federal Register** (62 FR 50896) a proposed rule to list Virginia sneezeweed as a threatened species under the Act, and on November 3, 1998, we published in the **Federal Register** (63 FR 59239) a final rule listing Virginia sneezeweed as a threatened species under the Act. The final listing rule included our finding that designating critical habitat was not prudent for the species.

In September 2000, a draft recovery plan for Virginia sneezeweed was completed (Service 2000, entire). On October 2, 2000, we published in the **Federal Register** (65 FR 58784) a notice of availability of the draft recovery plan.

We published notices initiating a 5-year review for the species on December 16, 2008 (73 FR 76373), March 6, 2012 (77 FR 13251), and August 8, 2018 (83 FR 39113).

In April 2020, a 5-year review was completed (Service 2020, entire). This review concluded that Virginia sneezeweed's status had substantially improved since listing and recommended delisting the species.

Background

Species Information

For more information on the description, biology, ecology, and habitat of Virginia sneezeweed, refer to the final listing rule (63 FR 59239; November 3, 1998), the Virginia Sneezeweed (*Helenium virginicum*) Recovery Plan (draft) (Service 2000, entire), and the Virginia Sneezeweed (*Helenium virginicum*) 5-Year Review: Summary and Evaluation (Service 2020, entire). These documents are available as supporting materials at *https://www.regulations.gov* under Docket No. FWS–R5–ES–2024–0058.

Taxonomy and Species Description

Virginia sneezeweed (*Helenium virginicum*) is a perennial herbaceous flowering plant in the aster family (Asteraceae), first described in 1936 by S.F. Blake in Augusta County, Virginia (Blake 1936, entire). Virginia sneezeweed ranges in height from 43 to 112 centimeters (approximately 1.4 to 3.7 feet) above a rosette of basal leaves (Knox 1987, p. 55). Coarse hairs are visible on the basal and lower stem leaves. The basal leaves may be broad in the middle tapering toward the ends, but otherwise may appear oblong. Stem

leaves are lance-shaped and become progressively smaller from the base to the tip of the stem. The stems are winged, with the wings being continuous with the base of the stem leaves. The flower ray petals are yellow and wedge-shaped with three lobes at the ends. The central disk of the flower is nearly ball-shaped. Flowering occurs from July to October. Virginia sneezeweed is separated from the closely related species of common sneezeweed (*H. autumnale*) based on multiple morphological and ecological differences, including height, blooming period, bolting date, pappus length, and longer basal leaves (Knox 1987, entire).

Distribution and Habitat

Historically, Virginia sneezeweed was first identified on the shores of shallow, seasonally flooded ponds in Virginia's Shenandoah Valley. At the time of listing in 1998, the species was present at 30 sites that were grouped into 25 populations based on proximity distance in Virginia, and one suspected additional occurrence of the species in Howell County, Missouri, had been identified. Since listing, this suspected occurrence has been confirmed as Virginia sneezeweed, and an additional 55 element occurrences (EOs) have been discovered in the south-central Missouri Ozarks as a result of expanded survey efforts in those areas.

In 2005, VDCR–DNH revised its occurrence data to follow NatureServe guidance protocol for distinguishing EOs (NatureServe 2008). The protocol recommended that two occurrence features separated by less than 1 kilometer be treated as the same occurrence (population). After this occurrence data revision, VDCR–DNH grouped the original 30 sites into 19 EOs in Virginia (Van Alstine 2009, p. 2). Plants have been observed at three additional sites in Virginia since 2005, but all have been grouped into existing EOs due to proximity to other populations. Additionally, one EO was discovered in Hamilton County, Indiana, on August 14, 2018 (Service 2020, p. 11). In total, the best available information indicates the existence of 76 EOs of Virginia sneezeweed across three States (Virginia, Missouri, and Indiana) and four physiographic provinces (the Blue Ridge and Ridge and Valley in Virginia, the Plains in Indiana, and the Ozark Plateau in Missouri).

Virginia sneezeweed's optimal habitat includes fluctuating water levels, little canopy cover, and acidic-to-circumneutral soils with high organic matter. Persistent shading, flooding, and drought appear detrimental to populations. Populations of Virginia sneezeweed occurring in Virginia and Missouri are found in open (unshaded) growing conditions. The draft recovery plan (Service 2000, entire) cites the species as being limited to seasonally flooded sinkhole ponds (Knox 1997, p. 237), which is a globally rare habitat. Additional observations indicate that it can also be found in disturbed sites that appear as seasonally wet meadows, depressions in lawns, roadside ditches, and margins of farm ponds in Virginia (Van Alstine 2009, p. 1). In Missouri, Virginia sneezeweed habitat also ranges from less disturbed sinkhole pond margins and wet meadows to temporary wetlands in hayfields, roadside ditches, cattle ranches, and rural airports (Rimer and Summers 2006, p. 520). The species' habitat needs seem to be met naturally in sinkhole ponds by the variable hydroperiod, soil chemistry, pond basin morphology, and water depth; other sites where the species occurs may be the result of human activities that keep the sites open and help to meet the hydrologic needs of Virginia sneezeweed. The species appears to outcompete other plants in such circumstances, which explains its occurrence in highly altered habitats such as cattle ranches, airports, and roadside ditches (Knox et al. 2016, p. 257).

Biology

Virginia sneezeweed employs a breeding system of self-incompatibility, which puts small populations at risk of local extinction (Messmore and Knox 1997, entire). It blooms from early July through October with a peak in late July to early August. Seed dispersal occurs in late fall, and dormancy is broken gradually, with most germination delayed until the next growing season after water has drawn down (Knox 1997, p. 237).

The species experiences short-term local extirpation of aboveground plants due to high fluctuations in water levels and specific soil chemistry, but the species is adapted to the stress induced by these fluctuations in habitat condition by maintaining an intact seed bank that allows the plants to regenerate when conditions become favorable. Water depth and duration of standing water in Virginia sneezeweed habitats varies greatly year to year (Knox et al. 1999, p. 96); population sizes and stage class abundances also vary greatly year to year (Knox et al. 1999, p. 97). Seed stored below ground for at least 11 years retained a high percentage of germinability (Adams et al. 2005, p. 427).

Virginia sneezeweed appears as a basal rosette of leaves in the first year and then in its second year usually bolts, producing a single flowering stem that can include 1 to 15 flowering heads (Messmore and Knox 1997, p. 319). Virginia sneezeweed can live up to 5 years and flower two to three times (Knox 1997, p. 242). There is limited evidence of vegetative reproduction under experimental conditions, but this has not been observed in the field. Individual plants nearly always comprise genets (groups of genetically identical plants, Knox 1997, p. 237). The dense mats of rosettes seen in some populations, therefore, probably reflect seed dispersal patterns.

Recovery Criteria

Section 4(f) of the Act directs us to develop and implement recovery plans for the conservation and survival of endangered and threatened species unless we determine that such a plan will not promote the conservation of the species. Under section 4(f)(1)(B)(ii), recovery plans must, to the maximum extent practicable, include objective, measurable criteria which, when met, would result in a determination, in accordance with the provisions of section 4 of the Act, that the species be removed from the Lists of Endangered and Threatened Wildlife and Plants.

Recovery plans provide a roadmap for us and our partners on methods of enhancing conservation and minimizing threats to listed species, as well as measurable criteria against which to evaluate progress towards recovery and assess the species' likely future condition. However, they are not regulatory documents and do not substitute for the determinations and promulgation of regulations required under section 4(a)(1) of the Act. A decision to revise the status of a species or to delist a species is ultimately based on an analysis of the best scientific and commercial data available to determine whether a species is no longer an endangered species or a threatened species, regardless of whether that information differs from the recovery plan.

There are many paths to accomplishing recovery of a species, and recovery may be achieved without all of the criteria in a recovery plan being fully met. For example, one or more criteria may be exceeded while other criteria may not yet be accomplished. In that instance, we may determine that the threats are minimized sufficiently and that the species is robust enough that it no longer meets the Act's definition of an endangered species or a threatened

species. In other cases, we may discover new recovery opportunities after having finalized the recovery plan. Parties seeking to conserve the species may use these opportunities instead of methods identified in the recovery plan. Likewise, we may learn new information about the species after we finalize the recovery plan. The new information may change the extent to which existing criteria are appropriate for identifying recovery of the species. The recovery of a species is a dynamic process requiring adaptive management that may, or may not, follow all of the guidance provided in a recovery plan.

The listing of the Virginia sneezeweed spurred greater survey effort and ensured that protections were secured for populations, inextricably linking these efforts to recovery. The draft Virginia sneezeweed recovery plan (Service 2000, p. 23) states that the primary objective of the recovery program is to enable removal of the species from the List of Endangered and Threatened Plants. It established five conditions as criteria for delisting.

Delisting Criterion 1: Twenty self-sustaining populations and their habitats are permanently protected across this species' Virginia range. Minimal management actions may be occasionally required.

At the time of listing, there were 25 known populations of the species in Virginia across 30 individual sites and one suspected, but not confirmed, occurrence in Missouri. As noted above, the population figure was subsequently revised downward to 19 populations across the 30 sites due to the proximity of some occurrences. Five of the original 25 populations were located on U.S. Forest Service (USFS) lands, and the remaining 20 were on private lands. The purpose of the first delisting criterion was to increase the number of populations persisting in protected habitats with limited need for active management to sustain them. When met, the criterion would reflect a resulting increase in the species' viability.

The specific number of permanently protected populations identified in the criterion has not been met. However, new information obtained since the draft recovery plan (Service 2000, entire) was written provides new context for assessing the species' viability. When this criterion was written, the species was confirmed only in Virginia. The draft recovery plan indicates that if the need for additional survey work in Missouri and intervening States is indicated by the genetic confirmation of the first Missouri site as Virginia sneezeweed, the number of populations to be protected would be reassessed. The species has since been confirmed to occur in Missouri and Indiana, resulting in a total of 76 known populations (EOs) across three States; however, this recovery criterion was not revised or finalized to reflect and consider the new information.

Of the 76 total EOs across the species' range, a total of 15 EOs (20 percent of all EOs) occur on State or Federal lands offering permanent protection (see table 1, below). In Virginia, two EOs are on State-owned land (VDCR) and six EOs are on Federal land (USFS). The EOs on State-owned land are within Natural Area Preserves specifically dedicated to preserving the rare sinkhole pond habitats where Virginia sneezeweed occurs. The USFS manages the wetland areas where Virginia sneezeweed occurs on USFS land because they are rich in biodiversity, karst features, vernal pools, and cultural resources. Current protection and management efforts for these eight EOs will continue regardless of whether Virginia sneezeweed remains a federally listed species (Wright 2019, pers. comm.). In Missouri, six EOs are on State-owned land (Missouri Department of Conservation (MDC)), where they are protected from disturbance that might be detrimental; a change in Federal listing status is unlikely to change these protections and beneficial management (Rimer 2019b, pers. comm.). In Indiana, the single EO is on a 127-acre parcel with 42 acres designated as a State Nature Preserve and 85 acres under a conservation easement governed by the Indiana Department of Natural Resources (Stolz 2019, pers. comm.). The EO occurs on the conservation easement portion of the property. Given that these protections were in place prior to the discovery of this population, a change in listing status for Virginia sneezeweed would not change current protections for the Indiana population.

In Missouri, an additional six EOs (8 percent of all EOs) are on Missouri Department of Transportation (MoDOT) and Howell County Road Commission rights-of-way. While these are not considered protected based on land ownership, MoDOT has worked in partnership with MDC and the Service to implement informed and active site management (*e.g.,* scheduling/planning spraying or mowing to minimize impacts to Virginia sneezeweed on site). The MoDOT environmental review process ensures that they are aware of Virginia sneezeweed locations. MDC provides updated information quarterly to MoDOT via a cooperative agreement to ensure that MoDOT is aware of new Virginia sneezeweed sites that may have been discovered. MoDOT has also contacted MDC and the Service (Missouri Field Office) to assist with preconstruction surveys for Virginia sneezeweed in locations where the plant is not known but populations are nearby (Rimer 2019a, pers. comm.). If the Federal listing status for Virginia sneezeweed were to change, the species would retain an S3 NatureServe ranking in Missouri, indicating a species that is at moderate risk of extirpation in Missouri due to a fairly restricted range, relatively few populations or occurrences, recent and widespread declines, threats, or other factors (NatureServe 2020, unpaginated). MoDOT will continue to coordinate these efforts that benefit Virginia sneezeweed since it will remain a species of conservation concern in Missouri (Briggler 2019, pers. comm.).

The remaining 55 EOs (72 percent of all EOs) are on privately owned lands (44 in Missouri and 11 in Virginia). Their status in regard to threats is discussed below under Summary of Biological Status and Threats. Thus, while the numerical threshold set out in this delisting criterion has not been met as it was originally worded, the intention was to increase protected occurrences of the species in order to increase species' viability. There are more than three times the original number of populations now known to exist across three States. Of those populations, 20 percent are permanently protected, with another 8 percent likely to benefit from ongoing structural protections. The overall increase in both number of protected EOs and the overall range increases both redundancy and representation, therefore increasing the species' viability. Therefore, the original intent of this criterion has been fulfilled.

Delisting Criterion 2: Monitoring over 15 years indicates that populations in the 20 sites have long-term viability.

The purpose of this criterion was to confirm that an adequate number of populations (redundancy) were both protected and sufficiently resilient over a reasonable duration to reflect long-term viability of the species. As noted above, there are now more than three times the number of populations known at the time of listing, and 20 percent of these populations are protected. Regarding resiliency, regular monitoring of EOs over 15 years has not occurred at the majority of sites; 12 EOs in Virginia have been observed multiple times over at least 15 years. No EOs in Missouri have been observed multiple times over 15 years, but 19 EOs have been observed multiple times over at least 10 years, including all 6 that occur

on Federal or State lands. Overall, a total of 12 EOs (16 percent of all EOs) have been observed multiple times at varying intervals over 15 years (all in Virginia), and 34 EOs (45 percent of all EOs) have been observed multiple times over at least 10 years, including 11 of the 15 EOs that occur on protected lands across the species' range. The EO in Indiana was just discovered in 2018, making 10 to 15 years of monitoring data for this EO unattainable.

In addition, the draft recovery plan (Service 2000, pp. 23, 27–28) did not define ''long-term viability,'' and several of the recovery tasks involve determining viability for the species, none of which have been accomplished. The figures quantifying observations of EOs above reflect presence over time but not necessarily condition of the EO, which also is relevant to resiliency and, therefore, viability. However, for each observation of a Virginia sneezeweed population, a surveyor assigned an EO rank based on observations beyond population size, including habitat conditions at the site at the time of the survey, conditions over time since its last observation (when applicable), and probability of persistence. EO rankings present a challenge in terms of interpreting viability because they are based on a snapshot in time of the condition of each EO at its most recent observation. However, given the limited available information for Virginia sneezeweed, we consider the EO rank to be the most meaningful way to describe a population's status, as it requires an in-person observation and combines multiple components of a population's condition into a single metric.

We evaluated each population's resiliency by using the most recent EO rank (see table 1, below). We considered populations with EO ranks of A, AB, or AC ''excellent;'' populations with EO ranks of B, BC, or BD ''good;'' populations with EO ranks of C or CD ''fair;'' and populations with EO ranks of D or E ''poor.'' Because the sample size for EOs observed over 15 years is small and skewed with only Virginia populations, we looked at all 34 EOs observed over at least 10 years. Based on EO ranks, 8 have excellent resiliency, 6 have good resiliency, 15 have fair resiliency, and 5 have poor resiliency. Therefore, while 20 populations have not been monitored for 15 years as specified in the recovery criterion, there has been long-term monitoring over at least 10 years for 34 sites. Eighty-five percent of these sites have fair to excellent resiliency, which increases the species' overall viability. Of note, 11 of the 15 populations on protected lands have had multiple visits over at least 10 years, and all 11 have an EO rank of fair to excellent. Given this, we conclude the original intent of this recovery criterion is met.

TABLE 1—VIRGINIA SNEEZEWEED EO PROTECTED STATUS AND RANK SUMMARIZED BY STATE

State	Total number of EOs	Number of EOs permanently protected	EO Rank			
			Excellent (number protected)	Good (number protected)	Fair (number protected)	Poor (number protected)
Virginia	19	8	5 (5)	3 (0)	6 (1)	5 (2)
Missouri	56	6	6 (4)	18 (1)	24 (1)	8 (0)
Indiana	1	1		1 (1)		
Total	76	15	11 (9)	22 (2)	30 (2)	13 (2)

Delisting Criterion 3: Life-history and ecological requirements are understood sufficiently to allow for effective protection, monitoring, and, as needed, management.

This criterion has been met. Research on the Virginia populations (Knox 1997, entire; Knox et al. 1999, entire) and Missouri populations (Rimer and Summers 2006, entire) has expanded knowledge of the life-history and ecological requirements of Virginia sneezeweed, allowing for effective protection, monitoring, and management.

Delisting Criterion 4: Seeds representing the range of genetic diversity in H. virginicum *are placed in long-term storage to provide a source of genetic material in the event of in situ extinction.*

Since this delisting criterion was drafted, seeds have been acquired and placed in long-term storage from six EOs from four counties in Missouri, but no seeds have been collected and stored from Virginia (Townsend 2019, pers. comm.). Information on the high levels of genetic variation at the species level and high population structure indicates that to represent the entire range of genetic diversity (*i.e.,* representation), seeds would likely need to be collected and placed in long-term storage from Virginia EOs and additional Missouri EOs to satisfy this criterion (Knox et al. 2016, entire; Service 2020, p. 31). Furthermore, if ongoing research indicates the Indiana population is naturally occurring and distinct from the other regions, seeds will need to be collected and put into long-term storage from this region to capture a fuller range of the species' genetic diversity and to meet this criterion (Williams et al. 2021, entire; Service 2020, p. 31).

Given the number of EOs now found in Virginia, Missouri, and Indiana, the species has more representation (adaptive capacity) than previously thought; thus, preservation of a wider range of genetic material from multiple regions would be necessary to meet this criterion. While this criterion has not been met, the intent of the criterion was to preserve genetic material given in situ extinction risk, which is now considerably lower given the overall increase in species' viability since the time of listing (see *Viability Analysis,* below).

Delisting Criterion 5: The population and habitat of the Missouri Helenium *sp., if it is determined to be* H. virginicum, *are permanently protected and seeds placed in long-term storage.*

The original intent of this criterion has been met. Importantly, this criterion was developed prior to the discovery of the additional 55 EOs in Missouri. This information renders this criterion duplicative of delisting criteria (1) and (4) above. The referenced Missouri population was determined to be *H. virginicum* (Simurda and Knox 2000, entire; Simurda et al. 2005, entire). Seeds from this site were collected in the early 2000s and have been placed in long-term storage (Rimer 2018, pers. comm.). This site is owned by the Howell County Road Commission and is not permanently protected. It is a managed site, and the responsible agency works with MDC and the Service

to minimize impacts to Virginia sneezeweed from mowing, spraying, and other activities. It is unclear whether this coordination would continue if Virginia sneezeweed were no longer a federally listed species; however, this is 1 of 56 EOs in Missouri. In terms of preserving genetic material and habitat (representation) in Missouri, the six EOs in Missouri on protected State lands and the collection of seeds for long-term storage from six EOs in Missouri meet this criterion's original intent.

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.

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 now and in the foreseeable future.

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 (hereafter, the Services) 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

To assess Virginia sneezeweed's 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 (*e.g.,* wet or dry, warm or cold years); redundancy is the ability of the species to withstand catastrophic events (*e.g.,* droughts, large pollution events), and representation is the ability of the species to adapt to both near-term and long-term changes in the physical and biological environment (*e.g.,* climate conditions, pathogens). 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.

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 5-year review (Service 2020, entire) documents our comprehensive biological status review for the species, including an assessment of the potential threats to the species.

The following is a summary of this status review and the best available information gathered since that time that have informed this decision.

At the time of listing, habitat modification and associated hydrological disruption (through residential development, incompatible agricultural practices, filling and ditching of wetland habitats, and groundwater withdrawal) were identified as the primary threats to Virginia sneezeweed (63 FR 59239; November 3, 1998). Restricted range and small number of populations (Factor E), invasive species (Factor E), climate change (Factor E), and the inadequacy of State or Federal mechanisms to protect

Virginia sneezeweed habitat at that time (Factor D) were also discussed as factors contributing to the species' threatened status.

Since the publication of the final listing rule (63 FR 59239; November 3, 1998), these threats and/or their known impact on the species have been significantly reduced. The previously perceived risk of extinction has also been reduced due to an increase in both the known geographic range and number of Virginia sneezeweed populations. The following analysis evaluates the previously identified threats, any other threats currently facing the species, as well as threats that are reasonably likely to affect the species within the foreseeable future if the species is delisted and the Act's protections are removed.

To establish the foreseeable future for Virginia sneezeweed, we evaluated trends from historical data on distribution and abundance, ongoing conservation efforts, factors currently affecting the species, and predictions of future climate change and land development. Virginia sneezeweed was listed as threatened under the Act in 1998 (63 FR 59239; November 3, 1998), and the species has been monitored for at least 20 years (with some populations having been monitored before listing). These historical data provide insight into Virginia sneezeweed's exposure and response to potential threats under varying conditions. We used the U.S. Geological Survey (USGS) Forecasting Scenarios of Land-use Change (FORE–SCE) land cover model to evaluate land use changes to 2100 in the counties where Virginia sneezeweed occurs. We also used region-specific downscaled climate models for both the mid-Atlantic highlands region (which includes Virginia sneezeweed's Virginia range) and the Missouri Ozarks to evaluate future climate change impacts to hydrology throughout the species' range to 2100. Given our understanding of the best available data, for the purposes of this proposed rule, we consider the foreseeable future for Virginia sneezeweed to extend to the year 2100.

Habitat Modifications and Hydrological Disruption

At the time of listing, the principal threats impacting Virginia sneezeweed were identified as habitat modification and the associated direct and indirect disruption of hydrology. Specific sources of threats identified included residential development, incompatible agricultural practices, filling and ditching of wetland habitat, and groundwater withdrawal.

Among the sites that have been visited multiple times since the species was listed, six sites in Virginia representing four EOs were documented in 2006–2008 to have habitat degradation in the form of hydrological modification from deepening portions of ponds or digging drainage ditches; at one of these sites, a large pile of soil introduced sediment into the habitat. In addition, decreased cattle grazing and mowing may have played a role in declines at some of these sites, most likely because those activities typically reduce competing vegetation (Van Alstine 2007, pp. 5–12; 2009, pp. 6–11; Service 2020, pp. 10, 17, 19). There is no evidence of hydrological impacts to sites in Virginia from other sources or activities. Despite the identified habitat degradation, these sites were noted at the time as still supporting several hundred to 10,000 plants per site. However, those figures represented significant declines in abundance when compared to estimates from the 1980s despite shorter term increases in abundance that had been observed at the sites in the intervening period.

According to the VDCR's EO records, three of those six sites have been visited since 2008. One site record indicates an incidental roadside observation of 200+ flowering plants in 2017, but no formal survey was conducted. Another site record indicates a few large rosettes observed in a culvert but generally dry habitat conditions in 2010. The third site was observed in 2010, when thousands of robust plants were observed, and again in 2017 during a pollinator survey, when observers did not survey specifically for Virginia sneezeweed but estimated 500 to 600 flower heads in early August. No additional comments were recorded in the EO records regarding any changes to the habitat quantity or quality at these three sites. While the abundance of aboveground plants continues to fluctuate as described previously, these more recent observations indicate that populations on at least three of the six sites considered to have suffered degradation have continued to persist and their EO rank has not changed over the course of these additional observations.

In addition to hydrological modification, habitat degradation has occurred through unauthorized all-terrain vehicle (ATV) traffic at two EOs on land owned by the USFS and at pond habitat on private lands in Virginia. The use of ATVs through ponds or on pond margins can damage or destroy aboveground plants, disturb the seed bank, and create pooling or other hydrologic changes in the microenvironment due to tire ruts. At one USFS site, tire ruts, tree cutting, and dump sites were documented. The USFS is actively coordinating with their law enforcement division on mitigation efforts, and citations have been issued to several individuals. Given these efforts, which are unrelated to the status of Virginia sneezeweed under the Act, and the small number of EOs currently affected throughout the species' range, ATV and other vehicle traffic is not considered to be a significant influence on the species' overall viability, and therefore not a threat impacting the status of the species. We lack direct observational data for many of the remaining EOs in Virginia; however, land use within Virginia sneezeweed's range in the State has been reasonably stable. Clearing land for pasture has also been observed as a land use change on private property within the species' range. This type of alteration may be beneficial for Virginia sneezeweed by eliminating encroaching vegetation that provides shade, leaving the species with its preferred open/unshaded habitat.

There are limited direct observational data for many EOs in Missouri; however, core areas where EOs exist on private lands do not lend themselves to hydrological alteration, as the soils are not suitable for row crop agriculture that often involves digging ditches for proper drainage. There have been a few observations of farmers modifying ponds at Missouri sites, but disturbed Virginia sneezeweed populations have been documented persisting or reemerging from the seed bank within 1 to 2 years post-disturbance at those sites (Rimer 2019a, pers. comm.). There is no evidence of documented habitat alteration beyond the pond (hydrological) changes noted at observed sites in Missouri.

In Indiana, the single EO is on a 127-acre parcel with 42 acres designated as a State Nature Preserve and 85 acres under a conservation easement governed by the Indiana Department of Natural Resources (Stolz 2019, pers. comm.). Given that these protections were in place prior to the recent discovery of this population, it is unlikely that habitat modifications are a recent or current threat for this population.

There are currently protections or site-specific management activities in place at 21 sites across Virginia sneezeweed's range that benefit more than a quarter of known populations and are expected to remain in place post-delisting. However, the majority of Virginia sneezeweed populations occur on private lands. The continued observation of Virginia sneezeweed at

most known sites with multiple visits over time suggests individual EOs have enough resiliency (large enough seed banks) for plants to reestablish when habitat conditions become favorable after periods of unsuitability and can withstand and even benefit from some level of anthropogenic habitat disturbance. Given this resiliency and the small number of EOs that have been observed to be impacted by hydrological disturbance due to habitat modification, the best available information does not reflect that habitat modification is currently affecting the species' viability.

Virginia sneezeweed populations on private lands may be subject to land use changes; however, according to projections of future urbanization and the best available information on agricultural practices, we do not expect significant increases in the percent of land area that becomes developed in counties where Virginia sneezeweed occurs (Nakicenovic et al. 2000, entire; Sohl et al. 2014, entire; Sohl et al. 2018, entire). Some small increases are projected for agricultural areas in counties of occurrence, primarily hay/pasture lands; however, managed and scheduled pasturing (mowing, cattle grazing, and spraying) appears to be a land use compatible with the maintenance of Virginia sneezeweed populations as it reduced competition with invasive plant species (Van Alstine 2009, pp. iv–v, 6–11, 20). Thus, we do not think hydrological disruption, due to land use or climate change (see *Effects of Climate Change,* below), is likely to significantly impact the species' viability within the foreseeable future.

We expect the threat of unauthorized ATV or other vehicle use to remain the same or decrease in the future due to active management efforts by the USFS, as described above.

Invasive Species

Although invasive species were listed as a potential threat to Virginia sneezeweed at the time of listing in 1998, invasive species are not currently known to be a threat at any of the EOs in Virginia or Indiana (Townsend 2021, pers. comm.). In Missouri, encroaching invasive species like spotted knapweed (*Centaurea stoebe*) have been identified as a threat for several of the six EOs on State road rights-of-way. Spotted knapweed is a biennial or short-lived perennial that forms a deep taproot, easily establishes in disturbed areas, and produces a large quantity of seed. Once established, spotted knapweed becomes a solid stand that can outcompete native species, including Virginia sneezeweed. Spotted knapweed has been spread along highway and road corridors by mowing equipment. Eleven percent of Missouri EOs (which is 8 percent of the total EOs) occur along roadways and are exposed to this threat. The routine mowing and spraying along roadways that MoDOT carries out in coordination with MDC to address invasive species minimizes impacts to Virginia sneezeweed.

In Virginia, the potential for invasives to become a threat in the future is linked to changes in land use that may introduce or encourage the spread of invasives (*e.g.,* conversion of sinkhole pond habitat to pastureland could introduce competition from pasture grasses or other agricultural invasives) or encourage pesticide use (Townsend 2021, pers. comm.). Localized land use changes that may affect individual populations are difficult to project into the future on the private lands where more than half of Virginia sneezeweed populations in Virginia occur. However, as discussed above, wider-scale land use changes in Virginia are projected to involve small increases in agricultural areas and uses, which the best available information suggests is compatible with Virginia sneezeweed and tends to decrease, rather than increase, competition from invasive plant species.

Although current roadside maintenance efforts in Missouri to mow and spray spotted knapweed and other encroaching invasive species would no longer be required of MoDOT if Virginia sneezeweed were no longer federally listed, MDC is confident MoDOT will continue to coordinate these efforts that benefit Virginia sneezeweed because it will remain a species of conservation concern in Missouri (Briggler 2019, pers. comm.). Therefore, we expect this threat to the six Missouri EOs to stay the same or decrease in the future due to these active management efforts. We thus conclude that the best available data do not indicate that encroaching invasive species will threaten the viability of Virginia sneezeweed into the foreseeable future.

Effects of Climate Change

The effects of climate change could result in significant changes in hydrology in Virginia sneezeweed's habitat. The rate, spatial distribution, direction, and magnitude of changes, as well as the buffering effects of habitat heterogeneity and the adaptive capacity of the species, are sources of uncertainty in assessing Virginia sneezeweed's response to the effects of climate change. Best scientific and commercial data available indicate droughts and flooding associated with rapidly changing climate within the range of Virginia sneezeweed have the potential to negatively influence populations because the timing and magnitude of inundation play a large role in reproduction and survival. Wetlands that depend primarily on precipitation for their water supply are more vulnerable to changes in climate than wetlands that depend on regional groundwater flow systems (Winter 2000, p. 305) and Virginia sneezeweed occurs in both types of wetlands.

In modeling the most likely future scenario (Service 2020, pp. 27–29), we assume that EOs with current viability of fair or better have sufficient resiliency to continue to exist under future predicted climatic changes while EOs with a current ranking of poor are likely to be extirpated if further stressed by predicted changes in climatic patterns that may result in increased floods and drought. Even with the uncertainty associated with predicting climate effects, the best available projections do not indicate that conditions will become so unfavorable within the species' range that Virginia sneezeweed populations could not continue to occupy most current habitats or establish new populations where appropriate conditions exist. Thus, we are taking a conservative approach by assuming EOs that currently have poor resiliency will not be able to tolerate the additional stress imposed by climatic changes to their habitats and would be extirpated. That means 5 EOs in Virginia (26 percent of Virginia populations) and 8 EOs in Missouri (14 percent of Missouri populations) are likely to be extirpated, leaving 63 EOs (83 percent of current extant populations) remaining across three States and four physiographic provinces. At the population level, resiliency is likely to decrease somewhat for some populations in the face of climatic changes causing increased flooding and drought (and, therefore, causing increased stress on the species where it occurs). Redundancy overall will be reduced due to the loss of 13 EOs. Because each population is likely to be genetically distinct based on the best available information, the loss of 17 percent of current extant populations is likely to reduce genetic diversity and lower representation. Despite these losses, the species will continue to exist in a range of habitat types and across all four physiographic provinces throughout its range. Given these data and the current known distribution of populations, we conclude that the effects of climate change will not threaten the viability of the species within the foreseeable future.

Restricted Range and Small Number of Populations

The final listing rule (63 FR 59239; November 3, 1998) noted that threats to Virginia sneezeweed were compounded by the species' restricted range and the small number of populations. At the time of listing, the species was known to occur in 25 EOs in two counties in Virginia. The species has now been found in 76 EOs across 12 counties in three States and four physiographic provinces. Thus, because of this significant expansion in both the known range and number of populations, redundancy for the species is greater than recognized at the time of listing (*i.e.,* the chance of stochastic or catastrophic events extirpating a significant number of EOs is lower), and we no longer consider the species' range or number of populations to be a compounding threat now or within the foreseeable future.

Conservation Efforts and Regulatory Mechanisms

There are numerous conservation efforts in progress or completed that benefit Virginia sneezeweed viability, including ongoing surveys of known occupied and suitable habitat in Missouri; biological, genetic, and ecological research that have expanded our knowledge of Virginia sneezeweed; successful reintroduction and seed banking programs in Missouri; and implementation of roadside maintenance best management practices that avoid and minimize impacts to roadside Virginia sneezeweed EOs. The designation of two Natural Area Preserves in Virginia and active management on other public lands by MDC, VDCR–DNH, and USFS would also continue to benefit a total of 15 EOs following removal from protections of the Act.

Numerous State regulations in Virginia, Missouri, and Indiana benefit Virginia sneezeweed. The species is State-listed as endangered in Virginia, Missouri, and Indiana; however, most of the documented EOs are located on private land, so there is limited protection under State endangered species laws.

In Virginia, the species is listed as endangered under the Virginia Endangered Plant and Insect Species Act (see title 3.2, chapter 10, sections 3.2–1000 *et seq.* of the Code of Virginia); receives habitat protections via the ''no net loss'' wetland policy established under the Virginia Water Protection permit program (section 62.1–44.15:20 of the Code of Virginia); and is further protected via the permit program through regulation of fill for development, water resource projects, infrastructure development, and mining projects. The program regulates all State waters and issues permits in parallel with U.S. Army Corps of Engineers (Corps) permits issued under section 404 of the Clean Water Act (33 U.S.C. 1251 *et seq.*); these Corps permits are referred to below as ''Clean Water Act 404'' permits. A State/Corps joint permit is needed to alter the physical, chemical, or biological properties of regulated State waters and make them detrimental for various uses; excavate in wetlands; or conduct activities in a wetland: that cause significant alteration or degradation of existing wetland acreage or functions. The Virginia Water Protection permit program may also provide some protection for Virginia sneezeweed habitat within the area of influence of proposed development projects in Virginia that require Clean Water Act 404 permits, regardless of the species' Federal listing status under the Act.

Virginia sneezeweed is listed as endangered by the State of Missouri; State listing occurs automatically in the State when a species becomes federally listed under the Act (see Revised Statutes of Missouri at section 252.240).

In Indiana, the species is currently listed as endangered by the State (see title 14, article 22, chapter 34 of the Indiana Code (IC 14–22–34)). There is no direct protection for State-listed plant species of conservation concern in Indiana; however, indirect protection is afforded to listed plants via other Indiana State laws and acts. The Virginia sneezeweed EO in Indiana is located on a conservation easement granted by the Town of Fishers to the Indiana Department of Natural Resources, perpetually preserving the property in its predominantly natural condition. Furthermore, the property is located within the Ritchey Woods Nature Preserve, which implements its own restrictions (details of both the easement and further restrictions are provided in the 5-year review; see Service 2020, pp. 21–22).

If the protections of the Act were to be removed in the future, Virginia sneezeweed is likely to remain State-listed in Virginia (Townsend 2021, pers. comm.). In the event the species is also removed from the State list, a survey and other recommendations may be suggested but would not be required of the applicant by VDEQ (Hypes 2019, pers. comm.). In Missouri, if protections of the Act were to be removed in the future, Virginia sneezeweed also would be removed from the State list unless it is independently designated as rare or endangered by the state. However, Virginia sneezeweed would remain ranked in Missouri as an S3 species (''Vulnerable in the [S]tate due to a restricted range, relatively few populations or occurrences, recent and widespread declines, or other factors making it vulnerable to extirpation''; MDC 2023, p. 8).

Synergistic Effects

Many of the potential stressors discussed in this analysis could work in concert with each other and result in a cumulative adverse effect to Virginia sneezeweed (*i.e.,* one stressor may make the species more vulnerable to the effects of other threats). For example, stressors related to habitat modification/degradation that individually do not rise to the level of a threat could, in combination with a restricted range and small number of populations, present a potential concern. However, most of the potential stressors that were originally believed to put Virginia sneezeweed in danger of extinction either have not materialized to the extent originally anticipated at the time of listing or are adequately managed as described in this document. Synergistic interactions are possible between the effects of climate change and effects of other threats, such as nonnative plant invasion. Higher temperatures and longer growing seasons could also result in a higher prevalence of invasive plants; however, the evidence that Virginia sneezeweed outcompetes invasive species when disturbed (*e.g.,* by mowing, grazing, and chemical spraying) suggests stressful conditions associated with fluctuating hydrology and soil conditions (high levels of aluminum and low pH) could continue to give Virginia sneezeweed a competitive advantage over other plants. Furthermore, the increases documented in the number, distribution, and size of many populations since the species was listed in 1998 alleviate concerns of potential compounding effects due to small range and few populations and do not indicate that cumulative effects of various activities and stressors are affecting the viability of the species.

Viability Analysis

Using the framework of resiliency, representation, and redundancy (discussed above under Analytical Framework), we can evaluate the current biological status of Virginia sneezeweed. Since the species' listing in 1998, work by partner agencies has led to significant improvements in our understanding of the biology and life history of the species, the discovery of 60 new occupied sites, and actions (*e.g.,* successful reintroductions, seed

banking, management of invasive species, habitat protection) to mitigate threats to many populations across the species' range. In particular, the discovery of 60 new occurrences in different regions significantly expands the geographic range and increases redundancy and representation for the species.

Notwithstanding some indications that up to six sites representing four EOs in Virginia show substantial reductions in abundance when compared to several decades ago, the species' continued existence at monitored sites despite large fluctuations in abundance over time and the broader range of habitats that it now is known to occupy suggest that resiliency overall is reasonably high. Across the range, 43 percent of EOs are classified as having excellent to good resiliency, 40 percent have fair resiliency, and 17 percent have poor resiliency.

Based on the best available data, habitat alterations associated with climate change have the most potential to adversely affect Virginia sneezeweed populations, although given the uncertainty (described above), the weight of evidence does not indicate any reliable amount of likely adverse effects. Other threats do not appear to be substantial or immediate at the species level. Because there is high genetic diversity at the species level, maintaining robust representation for Virginia sneezeweed will require a sufficient number of genetically distinct EOs across the species' range. After examining the species' most likely future condition, it appears that changes in hydrology due to climate change could result in the extirpation of up to 13 EOs or 17 percent of extant populations. The EOs most vulnerable to extirpation have the smallest populations, and records show that populations with multiple observations have continued to exist at low population levels since they were originally discovered. While the loss of 17 percent of populations would have a proportional effect on genetic diversity given that the populations are genetically distinct from each other, a much smaller percentage of the actual abundance would be lost. Extirpated populations would be spread through the species' range and would not result in any significant contraction of the overall range—the species would still occur in three States and all four physiographic provinces throughout its range. In our future scenario, the remaining 61 EOs would maintain 83 percent of the current genetic diversity, more than 83 percent of the current abundance, and the vast majority of the current overall spatial distribution.

Overall, we have a better understanding of extinction risk for Virginia sneezeweed as a result of years of survey efforts to locate additional populations. Virginia sneezeweed's risk of extinction is much lower now than when it was listed, largely due to our increased understanding of previously unknown populations, in combination with seed banking and propagation and recovery efforts. Considering our modeled ''most likely'' future scenario in the 5-year review for Virginia sneezeweed (Service 2020, entire), it is apparent that the risk that threats would manifest in such a way as to cause the species to be or become in danger of extinction now or within the foreseeable future is very low.

Determination of Virginia Sneezeweed'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 Act's section 4(a)(1) factors, we have found that significant threats to Virginia sneezeweed at the time of listing (63 FR 59239: November 3, 1998) have been eliminated or materially reduced, no significant new threats have emerged, and viability has increased (see *Viability Analysis,* above).

The primary threats identified for the species at the time of listing in 1998 were habitat modification and the associated disruptions of hydrology (Factor A) through residential development, incompatible agricultural practices, filling and ditching of wetland habitats, and groundwater withdrawal. While some habitats occupied by Virginia sneezeweed are exposed to these threats, some are protected from these threats, and many new populations discovered since listing are not likely to be exposed to these threats. Since listing, Virginia sneezeweed is known to occur in 10 additional counties in 2 additional States. The discovery of these additional populations throughout an expanded range and the continued existence of Virginia sneezeweed EOs indicates that the negative effects from threats identified at listing in 1998 have not materialized.

The final listing rule (63 FR 59239; November 3, 1998) also discussed restricted range and small number of populations (Factor E), invasion of exotic species (Factor E), climate change (Factor E), and inadequate regulatory mechanisms for preventing habitat destruction (Factor D) as factors contributing to the species' threatened status. However, our review of the status of and listing factors for Virginia sneezeweed indicates: (1) a large increase in both geographic range and number of occurrences across the range due to new population discoveries; (2) resiliency to existing and potential threats; (3) the protection of 15 extant occurrences located on Federal and State conservation lands and 6 extant occurrences on State and County highway rights-of-way that through regulations or established management practices prevent habitat destruction or removal of plants; and (4) the implementation of conservation efforts that benefit the species. Therefore, we determine that these factors no longer present a significant threat to the species. We further determine that there is no evidence that overutilization for commercial, recreational, scientific, or educational purposes (Factor B) or disease or predation (Factor C) are current threats to Virginia sneezeweed. Climate change and potential land use changes affecting hydrology in Virginia sneezeweed habitats, as discussed above, are expected across the species' range, and while the magnitude and spatial/temporal distribution of these influences are highly uncertain, they are not expected to put the species at risk of extinction within the foreseeable future. Thus, after assessing the best available scientific information, we conclude that Virginia sneezeweed is not in danger of extinction now or likely

to become so within 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 Virginia sneezeweed 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 (*i.e.,* endangered) or likely to become so within the foreseeable future (*i.e.,* threatened) 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 now or likely to become so within 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 Virginia sneezeweed, we chose to evaluate 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 Virginia sneezeweed to determine if the species is in danger of extinction 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 Virginia sneezeweed, 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 and cumulative impacts of these threats: (1) habitat modifications and associated hydrologic disruption; (2) invasive species; (3) effects of climate change; and (4) conservation efforts and regulatory mechanisms. As stated above under Summary of Biological Status and Threats, when this species was listed in 1998, habitat modifications and associated hydrological disruption through residential development, incompatible agricultural practices, filling and ditching of wetland habitats, and groundwater withdrawal were identified as the primary threats to Virginia sneezeweed. However, since listing, the best available scientific information reflects only a few isolated instances of hydrological alteration from deepening ponds and drainage ditches. Importantly, at each impacted site the species persisted despite the disruption. Accordingly, this anticipated threat has not materialized in any portion of the range, and we therefore determine that the threat of habitat modification and hydrologic disruption, even in the absence of Federal listing, does not rise to a level that threatens the species in any biologically meaningful portion of its range. Similarly, the remaining threats to the species have been significantly reduced so that they do not threaten the species in any biologically meaningful portion of its range.

Invasive species are not an active threat in Virginia sneezeweed habitat in Virginia or Indiana, and the best available scientific information does not indicate the threat from invasive species will materially increase in the foreseeable future in these portions of the species' range. In Missouri, encroaching invasive species like spotted knapweed have been identified in 6 of the 56 EOs on State rights-of-way. Routine mowing and spraying along roadways that MoDOT carries out in coordination with MDC is expected to continue to benefit Virginia sneezeweed, indicating that the threat to the six Missouri EOs will stay the same or decrease in this portion of the species' range.

The magnitude and spatial/temporal distribution of climate change impacts on Virginia sneezeweed and its habitat are highly uncertain; however, they are not expected to put the species at risk of extinction within the foreseeable future. Resilience is likely to decrease for some individual populations because of climatic changes that cause increased flooding and drought. In modeling the most likely future scenario (Service 2020, pp. 27–29), we assume that EOs with current viability of fair or better have sufficient resiliency to continue to exist under future predicted climatic changes while EOs with a current resiliency ranking of poor are likely to be extirpated if further stressed by predicted changes in climatic patterns that may result in increased floods/drought.

Even with the uncertainty associated with predicting climate effects, the best available projections indicate that conditions will not become so unfavorable within the species' range that Virginia sneezeweed populations could not continue to occupy most current habitats or establish new populations where appropriate conditions exist. Thus, we consider it a conservative approach to assume EOs that currently have poor resiliency will not be able to tolerate the additional stress imposed by climatic changes to their habitats and will be extirpated. Under this assumption, 5 EOs in Virginia (26 percent of Virginia populations) and 8 EOs in Missouri (14 percent of Missouri populations) are likely to be extirpated, leaving 14 EOs in Virginia and 48 EOs in Missouri. The species would still occur across all four physiographic provinces throughout its range: the Blue Ridge and Ridge and Valley in Virginia, the Plains in Indiana, and the Ozark Plateau in Missouri. The single population in Indiana is expected to remain with good resiliency. The populations in Missouri are expected to reflect substantial resiliency and redundancy with a high number and percentage of all populations remaining in this portion of the range (86 percent of Missouri populations). Although a slightly greater percentage of populations extant in Virginia are likely to be extirpated, the species nevertheless would remain resilient in that portion of its range by retaining 74 percent of current extant Virginia populations. There are fewer known populations overall within Virginia, and the 14 remaining populations would reflect some reduction in redundancy within that portion of the range; however, because the EOs projected to be extirpated have smaller populations generally, the remaining populations would retain a greater percent of the species' abundance in Virginia and the impact to the portion of the range from reduced redundancy is likely limited.

In further addressing the status question, we also consider that the populations that may be extirpated within the foreseeable future due to current poor viability could individually or collectively be considered to have a different status from the remaining populations. However, when addressing the significance question, these populations

do not constitute a significant portion of the species' range. There is no evidence to indicate that populations projected to potentially be extirpated within the foreseeable future are any more biologically meaningful than those expected to remain extant. No populations (individually or collectively) occur in unique habitats that would otherwise make those populations biologically meaningful. In addition, the more populations there are for a given species, the lower the proportion that each one contributes individually toward viability. Those populations of Virginia sneezeweed currently in poor condition are contributing less to resilience at the species level than their healthier counterparts. Collectively, they do not constitute a biologically meaningful portion of the species' range because populations with EO ranks of poor are not concentrated in any given geographic area, and they make up a small proportion of the overall range and total abundance.

A number of regulatory mechanisms exist and a number of conservation efforts that benefit Virginia sneezeweed have occurred since the species' Federal listing in 1998, and they are expected to continue for the foreseeable future even in the absence of Federal listing. The species is State-listed as endangered in Virginia, Missouri, and Indiana; however, most of the documented EOs are located on private land, so there is limited protection under State endangered species laws. Virginia's Virginia Water Protection permit program provides some additional protection for Virginia sneezeweed habitat in areas where development projects are required to obtain Clean Water Act section 404 permits. In Indiana, the single EO has multiple protections in place. Although the protections afforded the species in these different portions of its range vary, there is no evidence to suggest the differences among the conservation measures and regulatory mechanisms contribute to a different biological status of the species in any portion of its range.

As described above, while there are populations with lower current and future viability than others, these populations do not individually or collectively occur in unique habitats, nor are they concentrated in any specific area. Cumulatively, they make up a small proportion of the overall range and total abundance. We therefore found no biologically meaningful portion of the Virginia sneezeweed's range exists where the condition of the species differs from its condition 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. *U.S. 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

Based on the best scientific and commercial data available, we determine that Virginia sneezeweed 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 currently in effect at 50 CFR 424.11(e)(2), Virginia sneezeweed has recovered to the point at which it no longer meets the definition of an endangered species or a threatened species. Therefore, we propose to remove Virginia sneezeweed from the Federal List of Endangered and Threatened Plants.

Effects of This Rule

This proposal, if made final, would revise 50 CFR 17.12(h) by removing Virginia sneezeweed from the Federal List of Endangered and Threatened Plants. The prohibitions and conservation measures provided by the Act, particularly through sections 7 and 9, would no longer apply to this species. Federal agencies would 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 Virginia sneezeweed. There is no critical habitat designated for this species, so there would 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 endangered or threatened 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 will coordinate with other Federal agencies, State resource agencies, interested scientific organizations, and others as appropriate to develop and implement an effective PDM plan for Virginia sneezeweed. The PDM plan will build upon current research and effective management practices that have improved the status of the species since listing. Ensuring continued implementation of proven management strategies that have been developed to sustain the species will be a fundamental goal for the PDM plan. The PDM plan will identify measurable management thresholds and responses for detecting and responding to significant changes in Virginia sneezeweed numbers, distribution, and persistence. If declines are detected equaling or exceeding these thresholds, the Service, in combination with other PDM participants, will investigate causes of these declines. The investigation will be to determine if Virginia sneezeweed warrants expanded monitoring, additional research, additional habitat protection, or resumption of Federal protection under the Act.

We appreciate any information on what should be included in post-delisting monitoring strategies for this species (see Information Requested, above).

Required Determinations

Clarity of the Proposed Rule

We are required by Executive Orders (EO.s) 12866 and 12988 and by the Presidential memorandum of June 1, 1998, to write all rules in plain language. This means that each rule we publish must:

(1) Be logically organized;

(2) Use the active voice to address readers directly;

(3) Use clear language rather than jargon;

(4) Be divided into short sections and sentences; and

(5) Use lists and tables wherever possible.

If you feel that we have not met these requirements, send us comments by one of the methods listed in **ADDRESSES**. To better help us revise the rule, your comments should be as specific as possible. For example, you should tell us the numbers of the sections or paragraphs that are unclearly written, which sections or sentences are too long, the sections where you feel lists or tables would be useful, etc.

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), EO 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 federally recognized 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 will continue to work with Tribal entities during the development of a final listing determination for Virginia sneezeweed.

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–R5–ES–2024–0058 and upon request from the Virginia Field Office (see **FOR FURTHER INFORMATION CONTACT**).

List of Subjects in 50 CFR Part 17

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

Proposed Regulation Promulgation

Accordingly, we propose to 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 ''*Helenium virginicum*'' under FLOWERING PLANTS from the List of Endangered and Threatened Plants.

Justin Shirley,

Principal Deputy Director U.S. Fish and Wildlife Service.

[FR Doc. 2025–14809 Filed 8–4–25; 8:45 am]

BILLING CODE 4333–15–P

Notices

Federal Register
Vol. 90, No. 148
Tuesday, August 5, 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

Forest Service

Malheur, Umatilla, and Wallowa-Whitman National Forests; Oregon and Washington; Revision of the Land Management Plans

AGENCY: Forest Service, Agriculture (USDA).

ACTION: Notice of intent to prepare an environmental impact statement.

SUMMARY: The U.S. Department of Agriculture (USDA) Forest Service is revising the land management plans for the Malheur, Umatilla, and Wallowa-Whitman National Forests (together known as the Blue Mountains National Forests) and preparing an environmental impact statement (EIS) consistent with the agency's National Forest System Land Management Planning regulations (36 CFR 219) and USDA National Environmental Policy Act regulations (7 CFR 1b.7). This notice announces the Forest Service's intent to prepare an EIS and initiate public involvement on the proposed action and request comments on the Preliminary Need to Change, Preliminary Draft Proposed Land Management Plan, the Evaluation of Wilderness Characteristics of Lands included in the inventory, and the list of Preliminary Species of Conservation Concern. This notice describes the documents available for review and how to obtain them; summarizes the need for change to the existing land management plans; provides information concerning public participation and collaboration, including the process for submitting comments; provides an estimated schedule for the planning process, including the time available to submit comments; and explains how to obtain additional information. The Planning, Administrative Reviews, and Litigation System identification number for the project is 64157.

DATES: Comments concerning the Preliminary Need to Change, proposed action, and scope of the analysis must be received by October 6, 2025. The draft EIS is expected a year from publishing the Notice of Intent (NOI), and the complete EIS is expected two years from publishing of this NOI. A Final Record of Decision will be issued following the conclusion of the pre-decisional administrative review process. A schedule for the decision-making process can be found here: *https://www.fs.usda.gov/r06/umatilla/planning/plan-revision-timeline.*

ADDRESSES: Send written comments to Umatilla National Forest Supervisor's Office, Blue Mountains Forest Plan Revision, 72510 Coyote Road, Pendleton OR 97801. Comments may also be sent electronically to *sm.fs.bluesforests@usda.gov* and/or *https://cara.fs2c.usda.gov/Public/CommentInput?project=64157.* All three forest headquarters locations can provide information upon request: Malheur National Forest located at 431 Patterson Bridge Road, John Day, Oregon 97845, Umatilla National Forest located at 72510 Coyote Road, Pendleton OR 97801, and Wallowa-Whitman National Forest located at 1550 Dewey Avenue, Suite A, Baker City, Oregon 97814.

FOR FURTHER INFORMATION CONTACT: Michael Neuenschwander, Revision Team Leader at *michael.neuenschwander@usda.gov* or by phone 509–730–7525.

Individuals who use telecommunications devices for the hearing impaired may call 711 to reach the Telecommunications Relay Service, 24 hours a day, every day of the year, including holidays.

SUPPLEMENTARY INFORMATION:

Purpose and Need for Action

The National Forest Management Act (NFMA) of 1976 requires that the Forest Service develop a land management plan, often called a forest plan, for every unit of the National Forest System. Land management plans provide strategic direction for management of forest resources. The current Malheur, Umatilla, and Wallowa-Whitman National Forest land management plans were approved in 1990. The purpose and need for revising the current land management plans is to address the preliminary identified need to change the existing land management plans, to address changes in economic, social, and ecological conditions, and to address new information that has emerged since 1990, when the land management plans were approved.

The Notice of Intent to Prepare an Assessment and Initiate the Plan Revision Process pursuant to the 2012 Planning Rule (36 CFR 219) was published in the **Federal Register** on July 31, 2023 (88 FR 49434). A Draft Assessment was posted for comment on the project website at *https://www.fs.usda.gov/r06/umatilla/projects/64157* on March 25, 2024, revised based on public comments received, and the Final Assessment was posted on September 23, 2024. A Draft Preliminary Need to Change was posted for feedback on October 10, 2024 on the project website. Overall, there is a need for land management plan direction that is strategic and identifies desired conditions and other plan content for how resources should be managed, that eliminates redundancies with existing laws, regulations, and policy, and that incorporates the best available scientific information.

Proposed Action

The proposed action is to revise the 1990 Malheur, Umatilla, and Wallowa-Whitman National Forest land management plans to address the identified need to change. In response to the Preliminary Need to Change, a combined Preliminary Draft Proposed Land Management Plan has been developed for the three Blue Mountains forests that focuses on desired conditions, and includes a starting point for objectives, standards, guidelines, and other plan content. Also included are the suitability of lands for specific multiple uses, and the identification of rivers eligible for inclusion into the National Wild and Scenic Rivers system. There are no lands from the evaluation of lands with wilderness characteristics being carried forward as recommended wilderness in the Preliminary Draft Proposed Land Management Plan. A no-action alternative, which represents no change to existing management direction, will be analyzed in addition to the Preliminary Draft Proposed Land Management Plan and will serve as the baseline for the comparison among action alternatives. Comments we receive in response to this notice of

intent may identify additional alternatives and may include a modified Preliminary Draft Proposed Land Management Plan. Travel management planning (36 CFR 212) will not be part of the revised Land Management Plans developed under this proposed action.

The Preliminary Need to Change, Preliminary Draft Proposed Land Management Plan content, the Draft Evaluation of Wilderness Characteristics of Lands Included in the Inventory and the list of Preliminary Species of Conservation Concern can be found on the Blue Mountains Forest Plan Revision website at *https://www.fs.usda.gov/r06/umatilla/planning/blue-mountains-forest-plan-revision.*

List of Substantive Issues and Expected Impacts

The revised land management plans will not authorize site-specific projects or actions but will guide future decision-making on the Malheur, Umatilla, and Wallowa-Whitman National Forests. In accordance with the 2012 Planning Rule, the revised land management plans will provide for sustainability, diversity of plant and animal communities, and active resource management in a multiple use context. The plans will inform the purpose and need for future actions, guide the design of projects, and will include a plan monitoring program that will inform development of future land management activities on the Blue Mountains National Forests.

Substantive issues that may be analyzed include how the Preliminary Draft Proposed Land Management Plan content and any alternatives affect terrestrial and aquatic ecosystem sustainability on the Blue Mountains National Forests and how they may contribute to social and economic sustainability. Indicators of these effects used in analysis may include, but are not limited to, the proportion and diversity of forest structural stages represented across the landscape, wildfire frequency and intensity, key habitat characteristics used by a diversity of species, and acres of land that are identified as suitable for timber production and other uses. Revised Land Management Plan direction may influence the pace and scale of management to promote resilient landscape conditions and contribute to local economies. It is expected to provide flexible management direction that is contemporary with newer technology, scientific information, and policies compared to the existing Land Management Plans.

Cooperating Agencies

Federal, State, Tribal, or local agencies that have jurisdiction by law or special expertise with respect to any environmental impact involved in this proposal are invited to indicate interest in participating as a cooperating agency.

Responsible Official

There will be three responsible officials, one for each national forest. The responsible officials for the revised land management plans are Ann Niesen, Malheur Forest Supervisor, Eric Watrud, Umatilla Forest Supervisor, and Shaun McKinney, Wallowa-Whitman Forest Supervisor.

Scoping Comments and the Objection Process

This notice of intent initiates public involvement that will guide development of the EIS. Written comments are requested and will be considered as the Forests complete the Need to Change the existing land management plans and further develop the proposed action (Draft Proposed Land Management Plan).

Comments received specific to the draft evaluation of wilderness characteristics of lands included in the inventory will help inform the final evaluation. National Forest lands identified in the final evaluation will be used to develop a range of alternatives to the proposed action.

Comments specific to the list of Preliminary Species of Conservation Concern will be considered in updates to the list.

Comments will also be used to identify any potential substantive issues. Substantive issues will, in turn, form the basis for developing alternatives to the proposed action.

Engagement opportunities will be posted on the Blue Mountains Forest Plan Revision website: *https://www.fs.usda.gov/r06/umatilla/planning/blue-mountains-forest-plan-revision.* Information will also be shared through an electronic mailing list, a physical postcard mailing list, (sign up for mailing list by emailing: *sm.fs.bluesforests@usda.gov,* or calling 541–278–3716), social media (*https://www.facebook.com/UmatillaNF*), and local community media outlets.

In order to be most useful to the agency's preparation of the EIS, comments must be provided prior to the close of this comment period and should clearly articulate the reviewer's concerns and contentions. Commenting during this and any other designated opportunity to comment provided by the Responsible Officials as prescribed by the applicable regulations will also provide eligibility to object once the final EIS and draft Record of Decisions have been published. Comments received in response to this solicitation, including names and addresses of those who comment, will be part of the public record for this proposed action. Comments submitted anonymously will be accepted and considered; however, they will not be used to establish eligibility for the objection process.

The draft records of decisions to approve the revised land management plans for the Blue Mountain National Forests will be subject to the objection process identified in 36 CFR part 219 Subpart B (219.50 to 219.62). According to 36 CFR 219.53(a), individuals and entities who have submitted substantive formal comments related to the land management plan revision during the opportunities provided for public comment during the planning process, may file an objection. The burden is on the objector to demonstrate compliance with requirements for objections (36 CFR 219.53).

Nature of Decision To Be Made

The Malheur, Umatilla, and Wallowa-Whitman National Forests are preparing an EIS to revise their land management plans. While one EIS will be prepared, each Forest Supervisor will sign individual Records of Decision for revised Land Management Plans for the respective National Forests. Having one EIS is expected to help the agency gain efficiency and complete plan revision within a reasonable timeframe and budget. Consolidating under one EIS will help streamline the process for some stakeholders and facilitate a landscape-level approach to plan revision, as the three forests share some landscapes, issues, and stakeholders. The EIS process is meant to inform the Forest Supervisors so they can decide which alternative best maintains and restores National Forest System terrestrial and aquatic resources while providing ecosystem services and multiple uses, as required by the National Forest Management Act and the Multiple-Use Sustained-Yield Act.

The revised land management plans will describe the strategic intent of managing the Forests for the next 10 to 15 years and will address the identified need to change the existing land management plans. In addition to preparation of an EIS, other processes and authorizations that the Forest Service will be engaging in include consultation with the relevant federal agencies under Section 7(a)(2) of the Endangered Species Act (16 U.S.C. 1531–1540) and continued consultation

with tribal nations on a government-to-government basis. Project level activities will be consistent with the direction contained in the revised land management plans, but authorization will occur through subsequent project-specific National Environmental Policy Act analysis and decision-making.

Lisa Northrop,

Associate Deputy Chief, State and Private Forestry and National Forest System.

[FR Doc. 2025–14846 Filed 8–4–25; 8:45 am]

BILLING CODE 3411–15–P

DEPARTMENT OF AGRICULTURE

Forest Service

Information Collection: Forest Products Removal Permits and Contracts

AGENCY: Forest Service, Agriculture (USDA).

ACTION: Notice; request for comment.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, the Forest Service is seeking comments from all interested individuals and organizations on the extension, with no revision, of information collection 0596–0085, Forest Products Removal Permits and Contracts.

DATES: Comments must be received in writing on or before October 6, 2025 to be assured of consideration. Comments received after that date will be considered to the extent practicable.

ADDRESSES: Comments concerning this notice should be addressed to Director, Forest Management, 1400 Independence Avenue SW, Mail Stop 1103, Washington, DC 20250–0003. Comments also may be submitted via facsimile to (202) 205–1045 or by email to *sm.fs.TSAdminForms@usda.gov.* Comments submitted in response to this notice may be made available to the public through relevant websites and upon request. For this reason, please do not include in your comments information of a confidential nature, such as sensitive personal information or proprietary information. If you send an email comment, your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the internet. Please note that responses to this public comment request containing any routine notice about the confidentiality of the communication will be treated as public comments that may be made available to the public notwithstanding the inclusion of the routine notice. The public may inspect the draft supporting statement and/or comments received on the World Wide Web/internet site at: *https://www.fs.usda.gov/forestmanagement/products/contracts.shtml.* The public may request an electronic copy of the draft supporting statement and/or any comments received be sent via return email. Requests should be emailed to *sm.fs.TSAdminForms@usda.gov.*

FOR FURTHER INFORMATION CONTACT: Keith O'Loughlin, Small Business Administration (SBA) and Special Forest Products Coordinator, Forest Management, at (906) 280–5491. Individuals who use telecommunication devices for the deaf and hard of hearing (TDD) may call the Federal Information Relay Service (FIRS) at 711, 24 hours a day, every day of the year, including holidays.

SUPPLEMENTARY INFORMATION:

Title: Forest Products Removal Permits and Contracts.

OMB Number: 0596–0085.

Expiration Date of Approval: 11/30/2025.

Type of Request: Renewal with no revision of a currently approved information collection.

Abstract: Under 16 U.S.C. 551 Protection of National Forests; Rules and Regulations, individuals and businesses wishing to remove forest products from National Forest System lands must request a permit. To obtain a permit, applicants must meet the criteria at 36 CFR 223.1, 223.2, and 223.5–223.13, which authorizes free use or sale of timber or forest products.

Under the Food, Conservation, and Energy Act of 2008 (Pub. L. 110–246, 122 Stat. 1651) section 8105 Forest Products for Traditional and Cultural Purposes [hereinafter referred to as ''section 8105''], federally recognized Indian Tribes may make a request for free use of trees, portions of trees, or forest products for traditional and cultural purposes, provided the use will not be for commercial purposes. Section 8105 has been codified in 25 U.S.C. chapter 32A Cultural and Heritage Cooperation Authority, section 3055 Forest Products for Traditional and Cultural Purposes (25 U.S.C. 3055). Additionally, Forest Service issued final implementation regulations, for section 8105, at 36 CFR 223.15 Provision of Trees, Portions of Trees, or Forest Products to Indian Tribes for Traditional and Cultural Purposes.

Indian Tribes seeking products, under section 8105 authority, must make a request for free use, following the criteria at 36 CFR 223.15, which includes: ''Requests for trees, portions of trees, or forest products . . . must be submitted to the local Forest Service District Ranger's Office(s) in writing. Requests may be made: (1) Directly by a tribal official(s) who has been authorized by the Indian Tribe to make such requests; or (2) By providing a copy of a formal resolution approved by the tribal council or other governing body of the Indian Tribe.'' Note: There is no stated maximum free use limitation for products requested by an Indian Tribe, and there is no limitation to the number of requests that each federally recognized Indian Tribe may make, under section 8105 authority. Should federally recognized Indian Tribes seeking such use wish to obtain proof of possession, as may be required in some States, they could be issued a FS–2400–8 permit which allows use of timber or forest products at no charge (36 CFR 223.5–223.13).

Upon receiving a permit, the permittee must comply with the terms of the permit (36 CFR 261.6), which designates the forest products that can be harvested and under what conditions, such as limiting harvest to a designated area or permitting harvest of only specifically designated material. The collected information will help the Forest Service and the Bureau of Land Management (for form FS–2400–1) oversee the approval and use of forest products by the public.

When applying for forest product removal permits, applicants (depending on the products requested) would provide information needed to complete one of the following:

- FS–2400–1, Forest Products Removal Permit and Cash Receipt, is used to sell timber or forest products such as, but not limited to, fuelwood, Christmas trees, or pine cones (36 CFR 223.1, 223.2). The Bureau of Land Management identifies the form FS–2400–1 as BLM–5450–24 (43 U.S.C. 1201, 43 CFR 5420). This form would not be used to issue products requested by federally recognized Indian Tribes under section 8105 authority. In addition, beginning in calendar year 2020, the agency has made the option available to the public to use *Recreation.gov* to secure a permit online for Christmas trees at many national forests and print it out at home instead of traveling to a Forest Service office to get the permit there.
- FS–2400–4/FS–2400–4ANF, Forest Products Contract and Cash Receipt, are used to sell timber products such as sawtimber or forest products such as, but not limited to, fuelwood, or posts and poles. These forms would not be used to issue products requested by federally recognized Indian Tribes under section 8105 authority.

• FS–2400–8, Forest Products Free Use Permit, allows use of timber or forest products at no charge to the permittee (36 CFR 223.5–223.13). This form could be used to issue products requested by federally recognized Indian Tribes under section 8105 authority.

Each form listed above implements different regulations and has different provisions for compliance but collects similar information from the applicant for related purposes.

The Forest Service and the Bureau of Land Management will use the information collected on form FS–2400–1 to ensure identification of permittees in the field by agency personnel. The Forest Service will use the information collected on forms FS–2400–4/FS–2400–4ANF and/or FS–2400–8 to:

• Ensure that permittees obtaining free use of timber or forest products qualify for the free-use program.

• Ensure that permittees obtaining free use of timber or forest products, under 36 CFR 223.8, do not receive product value in excess of that allowed by regulations. However, as noted above for federally recognized Indian Tribe requests made under section 8105 authority, there is no stated maximum free use limitation (25 U.S.C. 3055).

• Ensure that applicants purchasing timber harvest or forest products permits non-competitively do not exceed the authorized limit in a fiscal year (16 U.S.C. 472(a)).

• Ensure identification of permittees, in the field, by Forest Service personnel.

Applicants may apply for more than one forest product permit or contract per year. For example, an applicant may obtain a free use permit for a timber product such as, but not limited to, pinecones (FS–2400–8) and still purchase fuelwood (FS–2400–1, and/or FS–2400–4/2400–4ANF). Additionally, as noted above, there is no limitation to the number of requests that each federally recognized Indian Tribe may make under section 8105 authority (25 U.S.C. 3055).

Individuals and small business representatives usually request and apply for permits and contracts in person at the office issuing the permit. As noted above, Indian Tribes seeking products under section 8105 authority must make a written request for free use, following the criteria at 36 CFR 223.15.

Applicants provide the following information, as applicable:

• Name,

• Address, and

• Personal identification number such as tax identification number, driver's license number, or other unique number identifying the applicant.

Agency personnel enter the information into a computerized database to use for subsequent requests by applicants for a forest product permit or contract. The information is printed on paper, which the applicant signs and dates. Agency personnel discuss the terms and conditions of the permit or contract with the applicant.

For Christmas tree permits purchased through the *Recreation.gov* website, a user is required to have an account which requires first name, last name, email address and mobile phone number.

The data gathered is not available from other sources. The collected data is used to ensure:

• Applicants for free use permits meet the criteria for free use of timber or forest products authorized by regulations at 36 CFR 223.5–223.13; and, for federally recognized Indian Tribes under section 8105 authority, the criteria at 36 CFR 223.15,

• Applicants seeking to purchase and remove timber or forest products from agency lands meet the criteria under which sale of timber or forest products is authorized by regulations at 36 CFR 223.80, and

• Permittees comply with the regulations and terms of the permit at 36 CFR 261.6.

The collection of this information is necessary to ensure that applicants meet the requirements of the forest products program; that those obtaining free-use permits for forest products qualify for the program; that applicants purchasing non-competitive permits to harvest forest products do not exceed authorized limits; and that Federal agency employees can identify permittees when in the field.

Affected Public: Individuals, small businesses, and, for requests made under section 8105 of *the Food, Conservation, and Energy Act of* 2008 (Pub. L. 110–246, 122 Stat. 1651), federally recognized Indian Tribes.

Estimate of Burden Per Response: 5 Minutes.

Estimated Annual Number of Respondents: 125,311.

Estimated Annual Number of Responses per Respondent: 2.

Estimated Total Annual Burden on Respondents: 1,253,110.

Comment is Invited: Comment is invited on: (1) whether this collection of information is necessary for the stated purposes and the proper performance of the functions of the agency, including whether the information will have practical or scientific utility; (2) the accuracy of the agency's estimate of the burden of the 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 on respondents, including the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

All comments received in response to this notice, including names and addresses when provided, will be a matter of public record. Comments will be summarized and included in the submission request for Office of Management and Budget approval.

Lisa Northrop,

Associate Deputy Chief, State and Private Forestry and National Forest System.

[FR Doc. 2025–14832 Filed 8–4–25; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Rural Housing Service

[Docket No. RHS–25–NONE–0002]

Notice of Funding Opportunity for the Section 533 Housing Preservation Grant (HPG) for Fiscal Year 2025

AGENCY: Rural Housing Service, Department of Agriculture.

ACTION: Notice.

SUMMARY: The Rural Housing Service (RHS or the Agency), a Rural Development (RD) mission area agency of the United States Department of Agriculture (USDA), announces the availability of $13.1 million in funding for the Housing Preservation Grant (HPG) program for fiscal year (FY) 2025, which includes approximately $2.1 million that will be made available for disaster assistance and $500,000 each for recovery due to Hurricanes Fiona in Puerto Rico, and Helene in Tennessee. The funds are available for qualified entities (such as public agencies, private non-profit organizations, and federally recognized Tribes) to provide grants or low-interest loans to eligible recipients to repair or rehabilitate housing in rural areas. Rental and cooperative properties that house very-low and low-income tenants may also be provided with grants or low-interest loans to repair and rehabilitate their properties in rural areas. In accordance with 7 CFR 1944.662(c), when an ''identity of interest'' (as such term is defined by 7 CFR 1924.4(i)) exists between a nonprofit entity and the owner(s) of a dwelling, the property is not eligible for HPG assistance. Therefore, the HPG

grantee may meet the factors provided at 7 CFR 1924.4(i), which includes a requirement that the HPG grantee not be the owner of the home, rental property or cooperative in which repairs will be performed.

This notice announces the opening and closing dates for receipt of preapplications for HPG funds, including the availability of calendar year 2022 disaster assistance, from eligible applicants, as well as submission requirements. Expenses incurred in developing preapplications will be at the applicant's cost. Applicants will not be reimbursed for any costs incurred outside of the grant agreement period.

ADDRESSES: *Preapplication Submission:* Entities wanting to apply for assistance may download the preapplication documents and requirements as stated in this Notice from the HPG website at: *https://www.rd.usda.gov/programs-services/single-family-housing-programs/housing-preservation-grants.* Applicants will also find the requirements in the HPG program regulation found in 7 CFR part 1944, subpart N. Preapplication information for electronic submissions may be found at *http://www.Grants.gov.*

- Applicants may also request paper preapplication packages from the RD office in their state. A list of Rural Development State Office (RDSO) contacts can be found via: *https://www.rd.usda.gov/about-rd/state-offices.*

FOR FURTHER INFORMATION CONTACT: Mandy Couture, Finance and Loan Analyst, Single Family Housing Direct Division, Special Programs and New Initiatives Branch at (515) 418–2188 (voice) (this is not a toll-free number) or email: *Mandy.Couture@usda.gov.* You may also contact the RD office for the state in which the applicant is located. A list of RDSO contacts is provided at: *https://www.rd.usda.gov/about-rd/state-offices.*

SUPPLEMENTARY INFORMATION:

Overview

Federal Awarding Agency Name: Rural Housing Service.

Funding Opportunity Title: Housing Preservation Grant (HPG).

Announcement Type: Initial Notice of Funding Opportunity (NOFO).

Funding Opportunity Number: USDA–RD–HCFP–HPG–2025.

Assistance Listing: 10.433.

Key Dates: Completed preapplications for grants must be submitted according to one of the following methods:

Paper Submissions

The deadline for receipt of a paper preapplication is 4:30 p.m. local time, September 4, 2025. Applicants intending to mail preapplications 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), and postage due preapplications will not be accepted. The preapplication dates and times are firm. The Agency will not consider any preapplication received after the deadline.

Electronic Submissions

Electronic preapplications must be received by email or submitted to *Grants.gov.* The deadline for receipt of an electronic preapplication is 11:59 p.m. Eastern Time on September 4, 2025. The preapplication dates and times are firm. Applicants should confirm the emailed preapplication was received by the Agency. The Agency will not consider any preapplication received after the deadline. The Agency will not solicit or consider scoring or eligibility information that is submitted after the preapplication deadline. The Agency will not consider any preapplication received after the deadline. The Agency reserves the right to contact applicants to seek clarification information on materials contained in the submitted preapplication.

A. Program Description

1. *Purpose of the Program.* The HPG program is a grant program administered by the Single-Family Housing Programs of RHS. It is limited to eligible rural areas and to qualified entities (such as public agencies, private non-profit organizations, and federally recognized Tribes). Grant funds can be used to assist low- and very low-income homeowners in repairing and rehabilitating their homes in rural areas.

Cooperative housing complexes (co-ops) and rental property owners may receive assistance under the HPG program if they agree to make such units available to very low- and low-income persons. Rental property owners can include Section 515 and 538 rental properties if the eligibility requirements are met for the HPG program. In accordance with 7 CFR 1944.663, rental property owners, or the co-op, must agree to make the units repaired or rehabilitated available for occupancy to very low- or low-income persons for a period of not less than five years. The minimum five-year rent restriction for very low- and low-income tenants will only apply to the units that are repaired with the HPG funding. HPG funding for rental properties and co-ops cannot exceed 75% of the total cost of all repairs and rehabilitation activities eligible for HPG assistance. Any units within the property that were not repaired with HPG funding will not be subject to the five-year restriction.

Note: For expected performance goals, measuring standards or outcomes, see 7 CFR 1944.688.

2. *Statutory and Regulatory Authority.* The Housing Preservation Grant program is authorized by Section 533 of the Housing Act of 1949, as amended, and funding for the program is made available pursuant to the Full-Year Continuing Appropriations and Extensions Act, 2025 (Public Law 119–4); and the program has been implemented by 7 CFR part 1944, subpart N.

3. *Definitions.* The definitions applicable to this notice may be found at 7 CFR 1944.656.

4. *Application of Awards.* The Agency will review, evaluate, and score preapplications in response to this notice based on the provisions in 7 CFR 1944.679 and as indicated in this notice.

B. Federal Award Information

Type of Award: Grants.

Fiscal Year Funds: FY 2025 $13.1 million, to remain available until expended.

Available Funds: Approximately $13.1 million is made available to eligible participants. Approximately $2.1 million of this funding is available for Calendar Year 2022 disaster assistance and $500,00 each for Hurricanes Fiona (DR4671) in Puerto Rico and Helene (DR4832) in Tennessee. The disaster funding is made available from the Consolidated Appropriations Act, 2023, Division N, Title I. RHS may, at its discretion, increase the total level of funding available from any available source provided the awards meet the requirements of the statute which made the funding available to the Agency.

Award Amounts: As required by 7 CFR 1944.680, no single entity may be awarded more than ½ of a state's allocation if there are two or more preapplications for a given state that meet the threshold criteria of 7 CFR 1944.679(a). FY 2025 State Allocations can be obtained from the RDSO. An award made for disaster assistance may not exceed a maximum award amount of $50,000, with no state maximum for the number of such disaster assistance awards. The anticipated award amounts may range between $30,000 and $100,000 but will be based on the state's allocation and number of eligible applicants. The Agency reserves the right to offer the applicant less than the grant funding requested.

Note: A list of RDSO contacts is provided at: *https://www.rd.usda.gov/about-rd/state-offices.*

Anticipated Award Date: The Agency anticipates making awards approximately 120 days after the preapplication deadline.

Performance Period: 24 months from the executed grant agreement.

Renewal or Supplemental Awards: None.

Approximate Number of Awards: The number of awards will depend on the number of eligible participants and the total amount of funds requested. Based on the Agency's prior experience with this program, it expects to make approximately 100–120 awards.

C. Eligibility Information

1. Eligible *Applicants.* (a) Potential applicants must meet the eligibility requirements of 7 CFR 1944.658. Additionally, potential applicants must meet the requirements of 7 CFR 1944.661, 1944.662, and/or 1944.686 as applicable (see, Section D. of this NOFO for other eligibility criteria). Applicants who are entities must meet the definition of ''organization'' as defined in 7 CFR 1944.656. Eligible entities include State and local governments, non-profit organizations, which may include, but not be limited to Faith-Based and community organizations; federally recognized Indian tribes; and consortia of eligible entities. HPG applicants who were previously selected for HPG funds are eligible to submit new preapplications to apply for FY 2025 HPG program funds. An additional HPG grant may be made when the grantee has achieved or nearly achieved the goals established for the previous or existing grant. The commitment of program dollars will be made to selected applicants who have fulfilled the necessary requirements for obligations. Awards for disaster assistance grants may be made only for disaster declared as a presidentially declared disaster during calendar year 2022 presidentially declared area(s). A presidentially declared disaster is defined as a ''major disaster or emergency'' declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (42 U.S.C. 5121 *et seq.*). A list of 2022 presidentially declared disasters can be viewed at *https://www.fema.gov/disaster/declarations.*

2. *Cost Sharing or Matching.* Pursuant to 7 CFR 1944.652(a)(1), grantees are expected to coordinate and leverage funding for repair and rehabilitation activities; as well as replacement housing, with housing and community development organizations or activities operating in the same geographic area. While it is encouraged that HPG funds be leveraged with other resources, cost sharing or matching is not a requirement for the HPG applicant, and the HPG applicant would not necessarily be denied an award of HPG funds if all other required project selection criteria described in this notice and at 7 CFR 1944.679(a) have been met.

3. *Discretionary Points.* None.

4. *Other.* Awards made under this Notice are subject to the provisions contained in the Full-Year Continuing Appropriations and Extensions Act, 2025 (Pub. L. 119–4, and extends provisions from FY 2024 appropriations, to include the Consolidated Appropriations Act, 2024 Division B, Title VII sections 744 and 745. To comply with these provisions, only applicants that are or propose to be, corporations will be required submit Form AD 3030, ''Representations Regarding Felony Conviction and Tax Delinquent Status for Corporate Applicants'' as part of their preapplication.

There are no limits on proposed direct and indirect costs. Expenses incurred in developing preapplications will be at the applicant's cost. Applicants will not be reimbursed for any costs incurred outside of the grant agreement period.

D. Preapplication and Submission Information

1. *Address to Request Preapplication Package.* Entities wanting to apply for assistance may download the preapplication documents for this Notice from the HPG website: *https://www.rd.usda.gov/programs-services/single-family-housing-programs/housing-preservation-grants.* Preapplication information for electronic submissions may be found at *https://www.grants.gov.*

Applicants may also request a paper preapplication package from the RD office in their state. A list of RDSO contacts can be found via *https://www.rd.usda.gov/about-rd/state-offices.*

2. *Content and Form of Preapplication Submission.* All requirements for submission of a preapplication under the Housing Preservation Program are subject to 7 CFR part 1944, subpart N. If the applicant is ineligible or the preapplication 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 preapplication will occur.

As specified by 7 CFR 1944.676, the Agency requires applicants to submit the following information to make an eligibility determination:

a. An SF–424, ''Application for Federal Assistance'';

(i) Made available by contacting any RDSO at the website: *http://www.rd.usda.gov/contact-us/state-offices;* or

(ii) *Grants.gov* at the following website: *https://www.grants.gov.*

b. A statement of activities proposed by the applicant for its HPG program as appropriate to the type of assistance the applicant is proposing, including:

(i) A complete discussion of the type of and conditions for financial assistance for housing preservation, including whether the request for assistance is for a homeowner assistance program, a rental property assistance program, or a cooperative assistance program.

(ii) The process for selecting recipients for HPG assistance, determining housing preservation needs of the dwelling, performing the necessary work, and monitoring/inspecting work performed.

(iii) A description of the process for identifying potential environmental impacts in accordance with § 1944.672 of this subpart and the provisions for compliance with Stipulation I.A–G of the Programmatic Memorandum of Agreement (PMOA) in accordance with 7 CFR 1944.673(b). With the exception of Stipulation I.D of the PMOA, this may be accomplished by adoption of exhibit F–1 within RD Instruction 1944–N (available in any Rural Development office), or another process supplying similar information acceptable to Rural Development.

(iv) The development standard(s) the applicant will use for the housing preservation work; and, if not the RD standards for existing dwellings, the evidence of its acceptance by the jurisdiction where the grant will be implemented.

(v) The time schedule for completing the program.

(vi) The staffing required to complete the program.

(vii) The estimated number of very low- and low-income minority and non-minority persons the grantee will assist with HPG funds; and, if there is a rental property or cooperative assistance program, the number of units and the term of restrictive covenants on their use for very low- and low-income.

(viii) The geographical area(s) to be served by the HPG program.

(ix) The annual estimated budget for the program period based on the financial needs to accomplish the objectives outlined in the proposal. The budget should include proposed direct

and indirect administrative costs, such as personnel, fringe benefits, travel, equipment, supplies, contracts, and other cost categories, detailing those costs for which the grantee proposes to use the HPG grant separately from non-HPG resources, if any. The applicant budget should also include a schedule (with amounts) of how the applicant proposes to draw HPG grant funds, *i.e.,* monthly, quarterly, lump sum for program activities, etc. The applicant can use SF–424A to provide this information.

(x) A copy of an indirect cost proposal/rate or direct cost policy when the applicant has another source of federal funding in addition to the RD HPG program.

(xi) A brief description of the accounting system to be used.

(xii) The method of evaluation to be used by the applicant to determine the effectiveness of its program which encompasses the requirements for quarterly reports to RD in accordance with 7 CFR 1944.683(b) and the monitoring plan for rental properties and cooperatives (when applicable) according to 7 CFR 1944.689.

(xiii) The source and estimated amount of other financial resources to be obtained and used by the applicant for both HPG activities and housing development and/or supporting activities.

(xiv) The use of program income if any, and the tracking system used for monitoring same.

(xv) The applicant's plan for disposition of any security instruments held by them as a result of its HPG activities in the event of its loss of legal status.

(xvi) Any other information necessary to explain the proposed HPG program.

(xvii) The outreach efforts outlined in 7 CFR 1944.671(b).

c. *Experience.* Complete information about the applicant's experience and capacity to carry out the objectives of the proposed HPG program.

d. *Evidence of Legal Existence.* Evidence of the applicant's legal existence, including, in the case of a private non-profit organization, a copy of, or an accurate reference to, the specific provisions of state law under which the applicant is organized; a certified copy of the applicant's Articles of Incorporation and Bylaws or other evidence of corporate existence; certificate of incorporation for applicants other than public bodies; evidence of good standing from the state in which the applicant is organized and evidence of authority to do business in any state in which the applicant is proposing to expend HPG funds, when the corporation has been in existence one year or more; and the names and addresses of the applicant's members, directors and officers. If other organizations are members of the applicant-organization, or the applicant is a consortium, preapplications should be accompanied by the names, addresses, and principal purpose of the other organizations. If the applicant is a consortium, documentation showing compliance with paragraph (4)(ii) under the definition of ''organization'' in 7 CFR 1944.656 must also be included.

e. *Audited and Financial Statements.* For a private non-profit entity, the most recent audited statement and a current financial statement dated and signed by an authorized officer of the entity showing the amounts and specific nature of assets and liabilities together with information on the repayment schedule and status of any debt(s) owed by the applicant. If the applicant is an organization being assisted by another private non-profit organization, the same type of financial statement should also be provided by that organization.

f. *Narrative Statement.* A brief narrative statement which includes information about the area to be served and the need for improved housing (including both percentage and the actual number of both low-income and low-income minority households and substandard housing), the need for the type of housing preservation assistance being proposed, the anticipated use of HPG resources for historic properties, and the method of evaluation to be used by the applicant in determining the effectiveness of its efforts (according to 7 CFR 1944.676(b)(1)(xii)).

g. *Alleviating Overcrowding Statement.* A statement containing the component for alleviating any overcrowding as defined by 7 CFR 1944.656. The overcrowding statement pertains to rental and cooperative properties.

h. *List of Other Activities.* A list of other activities the applicant is engaged in and expects to continue, a statement as to any other funding, and whether it will have sufficient funds to assure continued operation of the other activities for at least the period of the HPG grant agreement.

i. *Project Selection Criteria.* Any other information necessary to address the selection criteria in 7 CFR 1944.679.

j. *Environmental Compliance Agreement.* The applicant must comply with the requirements of 7 CFR part 1970 and may self-certify to perform these requirements. An example of self-certification can be found in RD Instruction 1970–A Exhibit H ''Multi-tier Action Environmental Compliance Agreement.''

k. *Public Participation and Intergovernmental Review.* Intergovernmental Review. In accordance with 7 CFR 1944.674(c), the HPG program is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with state and local officials. RD conducts intergovernmental consultation as implemented with 2 CFR part 415, subpart C. Not all States have chosen to participate in the intergovernmental review process. A list of participating States is available at the following website: *https://www.usda.gov/about-usda/general-information/staff-offices/office-chief-financial-officer/federal-financial-assistance-policy/intergovernmental-review.* Preapplications from federally recognized Indian Tribes are not subject to this requirement.

(i) The applicant must submit written statements and related correspondence reflecting compliance with 7 CFR 1944.674(a) regarding consultation with local leaders from all the county, parish, and/or township governments of the area where the HPG activities will take place for the purpose of assuring that the proposed HPG program is beneficial and does not duplicate current activities. American Indian nonprofit organization applicants should obtain the written concurrence of the tribal governing body in lieu of consulting with the county governments when the program is operated only on tribal land.

(ii) The applicant is to make its statement of activities available to the public for comment prior to submission to RD pursuant to 7 CFR 1944.674(b). The applicant(s) must announce the availability of its statement of activities for review in a print or online newspaper of general circulation in the project area and allow at least 15 days for public comment. The start of this 15-day period must occur no later than 16 days prior to the last day for acceptance of preapplications by the Agency. Federally recognized Indian Tribes, pursuant to 7 CFR 1944.674(a), should obtain the written concurrence of the tribal governing body in lieu of consulting with the county governments when the program is operated only on tribal land. The preapplication must contain a description of how the comments (if any were received) were addressed.

l. *Assurance Agreement.* The applicant must submit an original of Form RD 400–4, ''Assurance Agreement'' in accordance with 7 CFR

1944.676 and comply with 1944.676(h) to the extent necessary.

m. *Civil Rights.* Applicants must collect and maintain data provided by recipients on race, sex, and national origin and ensure ultimate recipients collect and maintain this data as described in 7 CFR 1944.671. Race and ethnicity data will be collected in accordance with OMB **Federal Register** notice. These items should not be submitted with the preapplication but should be available upon request by the Agency.

The applicant and the recipient must comply with Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, the Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act of 1973, Age Discrimination Act of 1975, Executive Order 12250, and 7 CFR part 1901, subpart E.

n. *Debarment and Suspension.* Debarment and suspension information is required in accordance with 2 CFR part 180 and 2 CFR part 417 (OMB's Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) (Non procurement Debarment and Suspension) if it applies. The section heading is ''What information must I provide to a higher tier participant before entering into a covered transaction with that participant?'' located at 2 CFR 180.335. It is part of OMB's Guidance for Grants and Agreements concerning Governmentwide Debarment and Suspension. Applicants are not eligible if they have been debarred or suspended or otherwise excluded from, or ineligible for, participation in Federal assistance programs under 2 CFR parts 180 and 417.

3. *System for Award Management and Unique Entity Identifier.* (a) At the time of preapplication, each applicant must have an active registration in the System for Award Management (SAM) before submitting its preapplication in accordance with 2 CFR 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 *https://sam.gov/content/entity-registration.*

(b) Applicant 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.

(c) Applicant must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

(d) Applicants must provide proof of SAM registration and a valid UEI in its preapplication, unless determined exempt under 2 CFR 25.110 (*https://www.ecfr.gov/current/title-2/subtitle-A/chapter-I/part-25/subpart-A/section-25.110*).

4. *Submission Dates and Times.* The Agency will not solicit or consider new scoring or eligibility information that is submitted after the preapplication deadline. RHS also reserves the right to ask applicants for clarifying information and additional verification of assertions in the preapplication.

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 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 must submit a copy of the preapplication directly for review. Any comments obtained through the SPOC must be provided to your State Office for consideration as part of your preapplication. If your state has not established a SPOC, you may submit your preapplication directly to the Agency. Preapplications from Federally recognized Indian Tribes are not subject to this requirement.

6. *Funding Restrictions.* Preapplications must be for eligible purposes as defined above. There are no limits on proposed direct and indirect costs. Expenses incurred in developing preapplications will be at the applicant's cost.

7. *Other Submission Requirements:* None.

E. Preapplication Review Information

1. *Criteria.* All eligible and complete preapplications for HPG funds must be filed with the appropriate RDSO and all paper or electronic preapplications must meet the threshold requirements of this Notice and the threshold criteria provided at 7 CFR 1944.679(a). Preapplications determined not eligible and/or not meeting the threshold criteria will be notified by the RDSO.

2. *Review and Selection Process.* RDSOs will complete the risk assessment by utilizing the following threshold project selection criteria for applicants in accordance with 7 CFR 1944.679(a):

(1) Providing a financially feasible program of housing preservation assistance. ''Financially feasible'' is defined as proposed assistance which will be affordable to the intended recipient or result in affordable housing for very low- and low-income persons.

(2) Serving eligible rural areas with a concentration of substandard housing for households of very low- and low-income.

(3) Being an eligible applicant as defined in 7 CFR 1944.658.

(4) Meeting the requirements of consultation and public comment in accordance with 7 CFR 1944.674.

(5) Submitting a complete preapplication as outlined in 7 CFR 1944.676.

3. *Scoring.* For applicants to meet all the threshold requirements listed above, the RDSOs will use weighted criteria in accordance with 7 CFR 1944.679(b) as selection for the grant recipients. Each preapplication and its accompanying statement of activities will be evaluated and, based solely on the information contained in the preapplication, the applicant's proposal will be numerically rated on each criterion within the range provided. The highest-ranking applicant(s) will be selected based on the allocation of funds available to the state.

(1) Points are awarded based on the percentage of very low-income persons that the applicant proposes to assist, using the following scale:

(i) More than 80%: 20 points
(ii) 61% to 80%: 15 points
(iii) 41% to 60%: 10 points
(iv) 20% to 40%: 5 points
(v) Less than 20%: 0 points

(2) The applicant's proposal may be expected to result in the following percentage of HPG fund use (excluding administrative costs) to total cost of unit preservation. This percentage reflects maximum repair or rehabilitation with the least possible HPG funds due to leveraging, innovative financial assistance, owner's contribution, or other specified approaches. Points are rewarded based on the following percentage of HPG funds (excluding administrative costs) to total funds:

(i) 50% or less: 20 points
(ii) 51% to 65%: 15 points
(iii) 66% to 80%: 10 points
(iv) 81% to 95%: 5 points
(v) 96% to 100%: 0 points

(3) The applicant has demonstrated its administrative capacity in assisting very low- and low-income persons to obtain adequate housing based on the following:

(i) The organization or a member of its staff has at least one or more years of experience successfully managing and operating a rehabilitation or weatherization type program: 10 points.

(ii) The organization or a member of its staff has at least one or more years of experience successfully managing and operating a program assisting very low- and low-income persons obtain housing assistance: 10 points.

(iii) If the organization has administered grant programs, there are no outstanding or unresolved audit or investigative findings which might impair carrying out the proposal: 10 points.

(4) The proposed program will be undertaken entirely in rural areas outside Metropolitan Statistical Areas (MSAs) identified by RD as having populations below 10,000 or in remote parts of other rural areas (*i.e.,* rural areas contained in MSAs with less than 5,000 population) as defined in 7 CFR 1944.656: 10 points.

(5) The program will use less than 20 percent of HPG funds for administration purposes:

(i) More than 20%: Not eligible
(ii) 20%: 0 points
(iii) 19%: 1 point
(iv) 18%: 2 points
(v) 17%: 3 points
(vi) 16%: 4 points
(vii) 15% or less: 5 points

(6) The proposed program contains a component for alleviating overcrowding as defined in 7 CFR 1944.656: 5 points.

In the event more than one preapplication receives the same number of points, those preapplications will then be ranked based on the actual percentage figure used for determining the points in item (1) in the ''Scoring'' section of this Notice (7 CFR 1944.679 (b)(1)).

Example of 1st tie-break:

Both Applicants score 80 points
Applicant X's percentage in ''Scoring'' section item (1) is 65%
Applicant B's percentage in ''Scoring'' section item (1) is 75%
Applicant B is ranked higher than Applicant X
Applicant B will be funded before Applicant X

Further, if preapplications are still tied, then those preapplications still tied will be ranked based on the percentage figures used for determining the points in item (2) in the ''Scoring'' section of this Notice.

Example of 2nd tie-break:

Both Applicants score 80 points
Both Applicants percentage in ''Scoring'' section item (1) is 65%
Applicant X's percentage in ''Scoring'' section item (2) is 55%
Applicant B's percentage in ''Scoring'' section item (2) is 60%
Applicant X is ranked higher with a lower percentage than Applicant B
Applicant X will be funded before Applicant B

Further for preapplications where HPG assistance to rental properties or co-ops is proposed, those still tied will be further ranked based on the number of years the units are available for occupancy under the program (a minimum of five years is required). For this part, ranking will be based on the most to least number of years.

Example of 3rd tie-break:

Both Applicants score 80 points
Both Applicants percentage in ''Scoring'' section item (1) is 65%
Both Applicants percentage in ''Scoring'' section item (2) is 55%
Applicant X's rental unit will be available for occupancy under the program for 10 years
Applicant B's rental unit will be available for occupancy under the program for 5 years
Applicant X is ranked higher than Applicant B
Applicant X will be funded before Applicant B

If any of the applicants that remain tied after the 1st and 2nd tie-breaks are offered to assist single family owners, then the 3rd tie-break would not be applicable, and a lottery would be used to select the applicant to be funded.

If there is still a tie after the first two (or three, when applicable) tie-breaks, then a lottery system will be used to select the applicant to be funded. The lottery will be conducted at the National Office. The lottery will consist of the names of each preapplication with equal scores printed onto a same size piece of paper, which will then be placed into a receptacle that fully obstructs the view of the names. The Director of the Single-Family Housing Division, in the presence of two witnesses, will draw a piece of paper from the receptacle. The name on the piece of paper drawn will be the applicant to be funded.

After the award selections are made by the National Office, all applicants will be notified of the status of their preapplications in writing. Applicants will be given their review rights or appeal rights in accordance with 7 CFR 1944.682.

F. Federal Award Administration Information

1. *Federal Award Notices.* The Agency will notify applicants whose preapplications have been selected for funding in writing. At the time of notification, the Agency will advise the applicant what further information and documentation is required along with a timeline for submitting additional information. This notification is not an authorization to begin performance. Performance may only begin once 7 CFR 1944, Subpart N, Exhibit A, ''Housing Preservation Grant Agreement'' is signed by the Agency and the awardee.

Expenses incurred in developing preapplications will be at the applicant's expense. Applicants will not be reimbursed for any costs incurred outside of the grant agreement period.

The official obligation document of the federal award is Form RD 1940–1, ''Request for Obligation of Funds'' which must be signed by the Agency and the awardee prior to obligation of funds. This document will be mailed or emailed to the awardee for signature.

Modifications may be made to an award during the grant period, as described in 7 CFR 1944.684. The grantee must submit a modification request in writing. The Agency will respond to the grantee within 30 days of receipt of the request. The Agency may approve the request at its discretion, and any such approval will be provided in writing and Exhibit B of subpart N of 7 CFR 1944 will be used for all extensions on and modifications to the grant agreement., ''Amendment to Housing Preservation Grant Agreement'' must be executed by the Agency and the grantee. Any modifications to a federal award must be consistent with competitive fairness in the application process, and any modifications must also be consistent with the eligibility and application selection requirements of the NOFO.

If the Agency determines it is unable to select the preapplication for funding, the applicant will be informed in writing. Such notification will include the reasons the applicant was not selected. The Agency will advise applicants, whose preapplications did not meet eligibility and/or selection criteria, of their review rights or appeal rights in accordance with 7 CFR 1944.682.

2. Administrative *and National Policy Requirements.*

(a) The following additional requirements apply to grantees selected for this program:

(i) Form SF–424, ''Application for Federal Assistance''
(ii) Form RD 1940–1, ''Request for Obligation of Funds''
(iii) 7 CFR part 1944, subpart N, Exhibit A, ''Housing Preservation Grant Agreement''
(v) Certification in accordance with 7 CFR 1944.657 Restriction on lobbying.

An example of an acceptable form of such certification can be found in RD Instruction 1940–Q Exhibit A–1, ''Certification for Contracts, Grants and Loans'' Available in any Rural Development Office

(vi) Form SF 3881, ''ACH Vendor Payment Enrollment Form''

(vii) Form SF 270, ''Request for Advance or Reimbursement''

(viii) Form SF 425, ''Federal Financial Report''

(ix) Quarterly reports in accordance with 1944.683. An example report can be found in RD Instruction 1944–N, Exhibit E–1 (Available in any Rural Development Office)

(x) Environmental requirements in accordance with 7 CFR 1944.672. Examples of these requirements can be found in RD Instruction 1944–N, Exhibit F–1, ''Grantee's Process for Identifying Properties Requiring Rural Development Environmental Assessments'' (available in any Rural Development Office).

(xi) Execute Form SF–LLL, ''Disclosure of Lobbying Activities'' (if applicable)

The grant recipient must include the required nondiscrimination statements in any of their advertisements and brochures.

3. *Reporting.* Performance reporting, including applicable forms, narratives, and other documentation, are to be completed and submitted in accordance with the provisions of 7 CFR 1944.683 and R7 CFR 1944, Subpart N, Exhibit A, ''Housing Preservation Grant Agreement''. Further, all grantees must submit an audit or financial information covering the defined period of performance as outlined in 7 CFR 1944.688 and the Grant Agreement.

G. Federal Awarding Agency Contact(s)

For general questions about this announcement, please contact Mandy Couture, Finance and Loan Analyst, Single Family Housing Direct Division, Special Programs and New Initiatives Branch at (515) 418–2188 (voice) (this is not a toll-free number) or email: *Mandy.Couture@usda.gov.* The Program website also provides up to date contact information at: *https://www.rd.usda.gov/programs-services/single-family-housing-programs/housing-preservation-grants#contact.* Awardees subject to the audit requirements of 2 CFR 200.501, shall provide a full and complete reporting package in accordance with 2 CFR 200.512(c), submitted to the Federal Audit Clearinghouse *the earlier of* 30 calendar days after the auditee receives the auditor's report(s) or nine months after the end of the audit period.

H. Other Information

1. *Paperwork Reduction Act.* In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the information collection requirements associated with the programs, as covered in this notice, have been approved by the Office of Management and Budget (OMB) under OMB Control Number 0575–0174.

2. *National Environmental Policy Act.* All recipients under this notice are subject to the requirements of 7 CFR 1b.

3. *Federal Funding Accountability and Transparency Act.* All applicants, in accordance with 2 CFR part 25, must be registered in SAM and have a UEI number as stated in Section D.3 of this notice. All recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive total compensation in accordance with 2 CFR part 170.

4. *Civil Rights Act.* 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, 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.

5. *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 *https://www.usda.gov/sites/default/files/documents/ad-3027.pdf* 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; (2) fax: (202) 690–7442; or (3) email: *program.intake@usda.gov.*

6. Equal Opportunity for Religious Organizations. 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.

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 accommodation may also be sought under many of these religious freedom and conscience protection laws.

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.

Christine Mechtly,

Deputy Administrator, Rural Housing Service.

[FR Doc. 2025–14808 Filed 8–4–25; 8:45 am]

BILLING CODE 3410–XV–P

COMMISSION ON CIVIL RIGHTS

Notice of Public Meetings of the Colorado Advisory Committee to the U.S. Commission on Civil Rights

AGENCY: Commission on Civil Rights.

ACTION: Notice of Public Meetings.

SUMMARY: Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights (Commission) and the Federal Advisory Committee Act that the Colorado Advisory Committee (Committee) to the U.S. Commission on Civil Rights will hold the second and third in a series of three virtual briefings, as well as a virtual community forum, to examine allegations of antisemitism at the University of Colorado at Denver, Community College of Denver, and Metropolitan State University of Denver. The second virtual briefing will take place on Wednesday, August 20, 2025, from 2:00 p.m. to 4:00 p.m. Mountain Time. Immediately following this briefing, the Committee will hold a virtual community forum from 4:00 p.m. to 5:00 p.m. Mountain Time. The third and final virtual briefing in the series will convene on Wednesday, September 3, 2025, from 2:00 p.m. to 4:00 p.m. Mountain Time.

DATES:

Wednesday, August 20, 2025, at 2:00 p.m. Mountain Time

Wednesday, September 3, 2025, at 2:00 p.m. Mountain Time

ADDRESSES: The meetings will be held via Zoom.

8/20/25 Briefing and Community Forum Link (Audio/Visual): https://www.zoomgov.com/webinar/register/WN_DfF2rZgIQO-TxWakKUc4nQ.

Join by Phone (Audio Only): 1–833 435 1820 USA Toll Free; Meeting ID: 160 768 4758 #.

9/3/25 Meeting Link (Audio/Visual): https://www.zoomgov.com/webinar/register/WN_Qi2_wH40Sbq2DLsA9hUV1g.

Join by Phone (Audio Only): 1–833 435 1820 USA Toll Free; Meeting ID: 161 151 3494 #.

FOR FURTHER INFORMATION CONTACT: Ana Fortes, Designated Federal Official, at *afortes@usccr.gov.* or by phone at 202–681–0857.

SUPPLEMENTARY INFORMATION: Any interested member of the public may attend the meetings via the links above. Before adjourning the meetings, the committee chair will announce that any member of the public may make a brief oral statement, as time allows. Per the Federal Advisory Committee Act, public minutes of meetings will include a list of persons who are present at meetings. If joining via phone, callers can expect to incur regular charges for calls they initiate over wireless lines, according to their wireless plan. The Commission will not refund any incurred charges. Callers will incur no charge for calls they initiate over land-line connections to the toll-free telephone number. Closed captioning is available by selecting ''CC'' in the meeting platform. To request additional accommodations, please email *ebohor@usccr.gov* at least 10 business days prior to each meeting.

Members of the public are entitled to submit written comments; the comments must be received in the regional office within 30 days following scheduled meetings. Written comments may be emailed to Evelyn Bohor at *ebohor@usccr.gov;* please include Colorado Committee in the subject line of the transmitting email. Persons who desire additional information may contact the Regional Programs Coordination Unit at 1–312–353–8311.

Records generated from these meetings may be inspected and reproduced at the Regional Programs Coordination Unit Office, as they become available, both before and after each meeting. Records of the meetings will be available via the file sharing website: *https://usccr.box.com/s/aq52obvbs8uhkx2a0198po94elwbf2vl.* Persons interested in the work of this Committee are directed to the Commission's website, *http://www.usccr.gov,* or may contact the Regional Programs Coordination Unit at *ebohor@usccr.gov.*

Agenda

August 20, 2025

Briefing
I. Welcome and Roll Call
II. Briefing II Panel Presentations
III. Q & A
IV. Closing Remarks, Transition to Community Forum
Community Forum
I. Welcome
II. Community Forum
V. Adjournment

Agenda

September 3, 2025

I. Welcome and Roll Call
II. Briefing III Panel Presentations
III. Q & A
IV. Public Comment
V. Adjournment

Dated: August 1, 2025.

David Mussatt,

Supervisory Chief, Regional Programs Unit.

[FR Doc. 2025–14821 Filed 8–4–25; 8:45 am]

BILLING CODE P

DEPARTMENT OF COMMERCE

Census Bureau

Agency Information Collection Activities; Submission to the Office of Management and Budget (OMB) for Review and Approval; Comment Request; Monthly Retail Surveys

AGENCY: Census Bureau, Commerce.

ACTION: Notice of information collection, request for comment.

SUMMARY: The Department of Commerce, in accordance with the Paperwork Reduction Act (PRA) of 1995, invites the general public and other Federal agencies to comment on proposed, and continuing information collections, which helps us assess the impact of our information collection requirements and minimize the public's reporting burden. The purpose of this notice is to allow for 60 days of public comment on the proposed extension of the Monthly Retail Surveys, prior to the submission of the information collection request (ICR) to OMB for approval.

DATES: To ensure consideration, comments regarding this proposed information collection must be received on or before October 6, 2025.

ADDRESSES: Interested persons are invited to submit written comments by email to *Thomas.J.Smith@census.gov* and *PRAcomments@doc.gov.* Please reference Monthly Retail Surveys in the subject line of your comments. You may also submit comments, identified by Docket Number USBC–2025–0072, to the Federal e-Rulemaking Portal: *http://www.regulations.gov.* All comments received are part of the public record. No comments will be posted to *http://www.regulations.gov* for public viewing until after the comment period has closed. Comments will generally be posted without change. All Personally Identifiable Information (for example, name and address) voluntarily submitted by the commenter may be publicly accessible. Do not submit Confidential Business Information or otherwise sensitive or protected information. You may submit attachments to electronic comments in Microsoft Word, Excel, or Adobe PDF file formats.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or specific questions related to collection activities should be directed to Evelyn Lewis, Chief, Retail Indicators Branch, by phone at 301–763–2240, or by email at *Evelyn.Lewis@census.gov.*

SUPPLEMENTARY INFORMATION:

I. Abstract

The Census Bureau plans to request an extension of the current Office of Management and Budget clearance for the surveys known as the Monthly Retail Trade Survey (MRTS) and the Advance Monthly Retail Trade Survey (MARTS). The MRTS and MARTS are related collections sharing the same initial sample frame and collect data that are published in conjunction with each other. These two surveys are collectively called the Monthly Retail Surveys (MRS).

The Monthly Retail Trade Survey (MRTS) provides estimates of monthly retail sales, end-of-month merchandise inventories, and quarterly e-commerce sales for firms located in the United States and classified in the Retail Trade or Food Services sectors as defined by the North American Industry Classification System (NAICS).

Estimates produced from the MRTS are based on a probability sample of approximately 13,000 firms. The sample design consists of one fixed panel where all cases are requested to report sales, e-commerce sales, and/or inventories for the prior month. If reporting data for a period other than the calendar month, the survey asks for the period's length (4 or 5 weeks) and the date on which the period ended. The survey also asks for the number of establishments covered by the data provided and whether the sales data provided are estimates or more accurate ''book'' figures. The sample is drawn approximately every 5 to 7 years from the Business Register, which contains all Employer Identification Numbers (EINs) and listed establishment locations. The sample is updated quarterly to reflect employer business ''births'' and ''deaths''; adding new employer businesses identified in the Business and Professional Classification Survey (SQ–CLASS) and deleting firms and EINs when it is determined they are no longer active. Estimates from the MRTS are released in 3 parts. The MRTS sales estimates are also used as input to the Monthly State Retail Sales (MSRS) experimental release first published in September 2020. The MSRS report is a blended data product combining Monthly Retail Trade Survey data, administrative data, and third-party data. Data are available for year-over-year percent changes for Total Retail Sales excluding Non-store Retailers as well as 11 North American Industry Classification System (NAICS) retail subsectors. High level aggregate estimates for end of month inventories are first released as part of the Advance Economic Indicators Report approximately four weeks after the close of the reference month. The sales and inventories estimates from MRTS are released approximately six weeks after the close of the reference month as part of the Monthly Retail Trade report and the Manufacturing and Trade Inventories and Sales (MTIS) report, which are released on the same day. Additionally, once per quarter, data for quarterly e-commerce sales are released approximately 50 days after the close of the reference quarter as part of the Quarterly Retail E-Commerce Sales report. Currently, there are no planned changes for MRTS.

The Advance Monthly Retail Trade Survey (MARTS) provides an early indication of monthly sales for retail trade and food services firms located in the United States. It was developed in response to requests by government, business, and other users to provide an early indication of current retail trade activity in the United States. Retail sales are one of the primary measures of consumer demand for both durable and non-durable goods. The MARTS survey results are published approximately two weeks after the end of the reference month. MARTS provide an OMB-designated Principal Federal Economic Indicator and the earliest available monthly estimates of broad-based retail trade activity. It also provides an estimate of monthly sales at food service establishments and drinking places.

The MARTS sample is a sub-sample of companies selected from the MRTS. The advance survey sample of about 4,800 companies are selected using a stratified sample by industry and size. Some 1,150 firms, because of their relatively large effect on the sales of certain industry groups, are selected with certainty. The MARTS sample is re-selected generally at 2½ to 3-year intervals to ensure it is representative of the target population and to redistribute burden for small- and medium-sized businesses.

Similar to the MRTS sales estimates, advance sales estimates for each kind of business are developed by applying a ratio of current-month to previous-month sales (derived from the advance retail and food service sample) to the preliminary estimate of sales for the previous month (from the larger monthly sample). Industry estimates are summed to derive total retail sales figures.

The MARTS survey requests sales and e-commerce sales for the month just ending. As on the MRTS survey, if firms report data for a period other than the calendar month, the survey asks for the period's length (4 or 5 weeks) and the date on which the period ended. Like MRTS, the survey also asks for the number of establishments covered by the data provided and whether the sales data provided are estimates or more accurate ''book'' figures. Currently, there are no planned changes for MARTS.

The Bureau of Economic Analysis (BEA) uses the information collected on these surveys to prepare the National Income and Products Accounts, to benchmark the annual input-output tables and as critical inputs to the calculation of the Gross Domestic Product (GDP). Policymakers at the Federal Reserve Board (FRB), the National Economic Council, and other federal and state governmental agencies as well as many private sector entities rely on the timely estimates of retail sales when making monetary and economic policy decisions.

II. Method of Collection

Respondents are initially contacted primarily by email, with a small subset receiving a *letter* by mail. After initial contact, non-respondents are contacted by email and/or telephone follow-up. We collect the data primarily by internet. We collect a small portion of the data by mail, telephone follow-up, and fax. Paper collection will be phased out beginning in late 2025.

III. Data

OMB Control Number: 0607–0717.

Form Number(s): SM–4417A–A, SM–4417A–E, SM–4417AE–A, SM–4417AE–E, SM–4417AS–A, SM–4417AS–E, SM–7217A–A, SM7217A–E, SM–4417S–A, SM–4417SE–A, SM–4417SS–A, SM–7217S–A, SM–7217S–E, SM–4417S–E, SM–4417SE–E, SM–4417SS–E, SM–4417B–A, SM4417BE–A, SM–4417BS–A, SM–4417B–E, SM–4417BE–E, SM–4417BS–E, SM–2017I–A, SM–2017I–E.

Type of Review: Regular submission, Request for an Extension, without Change, of a Currently Approved Collection.

Affected Public: Retail and Food Services firms in the United States.

Estimated Number of Respondents: 13,000.

Estimated Time per Response: 7 minutes per month (over a 12-month period).

Estimated Total Annual Burden Hours: 18,200.

Estimated Total Annual Cost to Public: $0. (This is not the cost of respondents' time, but the indirect costs respondents may incur for such things as purchases of specialized software or hardware needed to report, or expenditures for accounting or records maintenance services required specifically by the collection.)

Respondent's Obligation: Voluntary.

Legal Authority: Title 13 U.S.C. 131 and 182.

IV. Request for Comments

We are soliciting public comments to permit the Department/Bureau to: (a) Evaluate whether the proposed information collection is necessary for the proper functions of the Department, including whether the information will have practical utility; (b) 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; (c) Evaluate ways to enhance the quality, utility, and clarity of the information to be collected; and (d) Minimize the reporting burden on those who are to respond, including the use of automated collection techniques or other forms of information technology.

Comments that you submit in response to this notice are a matter of public record. We will include, or summarize, each comment in our request to OMB to approve this ICR. 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 may 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.

Sheleen Dumas,

Departmental PRA Compliance Officer, Office of the Under Secretary for Economic Affairs, Commerce Department.

[FR Doc. 2025–14783 Filed 8–4–25; 8:45 am]

BILLING CODE 3510–07–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[S–169–2025]

Approval of Subzone Status; Michaels Stores Procurement Company, Inc.; Hazleton, Pennsylvania

On June 13, 2025, the Executive Secretary of the Foreign-Trade Zones (FTZ) Board docketed an application submitted by the Eastern Distribution Center, Inc., grantee of FTZ 24, requesting subzone status subject to the existing activation limit of FTZ 24, on behalf of Michaels Stores Procurement Company, in Hazleton, Pennsylvania.

The application was processed in accordance with the FTZ Act and Regulations, including notice in the **Federal Register** inviting public comment (90 FR 25992, June 18, 2025). The FTZ staff examiner reviewed the application and determined that it meets the criteria for approval. Pursuant to the authority delegated to the FTZ Board Executive Secretary (15 CFR 400.36(f)), the application to establish Subzone 24I was approved on July 31, 2025, subject to the FTZ Act and the Board's regulations, including section 400.13, and further subject to FTZ 24's 2,000-acre activation limit.

Dated: July 31, 2025.

Elizabeth Whiteman,

Executive Secretary.

[FR Doc. 2025–14843 Filed 8–4–25; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–301–803]

Citric Acid and Certain Citrate Salts From Colombia: Preliminary Results of Antidumping Duty Administrative Review; 2023–2024

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily finds that Sucroal S.A. (Sucroal) made sales of citric acid and certain citrate salts (citric acid) from Colombia at less than normal value (NV) during the period of review (POR), July 1, 2023, through June 30, 2024. We invite interested parties to comment on these preliminary results.

DATES: Applicable August 5, 2025.

FOR FURTHER INFORMATION CONTACT: Kate Fracke, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–3299.

SUPPLEMENTARY INFORMATION:

Background

On July 25, 2018, Commerce published in the **Federal Register** the antidumping duty (AD) order on citric acid from Colombia.[1] On July 1, 2024, Commerce published in the **Federal Register** a notice of opportunity to request an administrative review of the *Order*.[2] On August 14, 2024, based on timely requests for review, in accordance with section 751(a)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.221(c)(1)(i), Commerce initiated an administrative review of the *Order* covering one company.[3] On December 9, 2024, Commerce tolled certain deadlines in this proceeding by 90 days.[4] Pursuant to section 751(a)(3)(A) of the Act, Commerce extended the deadline for the preliminary results by an additional 30 days.[5] The deadline for the preliminary results is now July 31, 2025.

For a complete description of the events that followed the initiation of the review, *see* the Preliminary Decision Memorandum.[6] A list of topics included in the Preliminary Decision Memorandum is included in the appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at *https://access.trade.gov.* In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at *https://access.trade.gov/public/FRNoticesListLayout.aspx.*

Scope of the Order

The merchandise subject to the *Order* is citric acid from Colombia. For a complete description of the scope, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a) of the Act. Export price is calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

Preliminary Results of Review

We preliminarily determine the following weighted-average dumping margin exists for the period July 1, 2023, through June 30, 2024:

[1] *See Citric Acid and Certain Citrate Salts from Belgium, Colombia and Thailand: Antidumping Duty Orders,* 83 FR 35214 (July 25, 2018) (*Order*).

[2] *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review and Join Annual Inquiry Service List,* 89 FR 54437 (July 1, 2024).

[3] *See Initiation of Antidumping and Countervailing Duty Administrative Reviews,* 89 FR 66035 (August 14, 2024).

[4] *See* Memorandum, ''Tolling of Deadlines for Antidumping and Countervailing Duty Proceedings,'' dated December 9, 2024.

[5] *See* Memorandum, ''Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review,'' dated June 13, 2025.

[6] *See* Memorandum, ''Decision Memorandum for the Preliminary Results of the Antidumping Duty Administrative Review: Citric Acid and Certain Citrate Salts from Colombia; 2023–2024,'' dated concurrently with, and adopted by, this notice (Preliminary Decision Memorandum).

Exporter/producer	Weighted-average dumping margin (percent)
Sucroal S.A	4.69

Disclosure

We intend to disclose the calculations performed to parties within five days after the date of publication of this notice in the **Federal Register**.[7]

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance.[8] Pursuant to 19 CFR 351.309(c)(1)(ii), we have modified the deadline for interested parties to submit case briefs to Commerce no later than 21 days after the date of the publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.[9] Interested parties who submit case briefs or rebuttal briefs in this proceeding must submit: (1) a table of contents listing each issue; and (2) a table of authorities.[10] All briefs must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety in ACCESS by 5:00 p.m. Eastern Time on the established deadline.

As provided under 19 CFR 351.309(c)(2) and (d)(2), in prior proceedings we have encouraged interested parties to provide an executive summary of their brief that should be limited to five pages total, including footnotes. In this review, we instead request that interested parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.[11] Further, we request that interested parties limit their public executive summary of each issue to no more than 450 words, not including citations. We intend to use the public executive summaries as the basis of the comment summaries included in the issues and decision memorandum that will accompany the final results of this administrative review. We request that interested parties include footnotes for relevant citations in the public executive summary of each issue. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).[12]

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS within 30 days after the publication of this notice. Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs. If a hearing request is made, Commerce will inform parties of the scheduled date for the hearing.[13]

Assessment Rates

Upon completion of this administrative review, pursuant to section 751(a)(2)(A) of the Act, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise.

If the weighted-average dumping margin for Sucroal (*i.e.,* the sole individually-examined respondent in this review) is not zero or *de minimis* (*i.e.,* less than 0.50 percent) in the final results of this review, we will calculate importer-specific *ad valorem* AD assessment rates based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1). If the respondent has not reported entered values, we will calculate a per-unit assessment rate for each importer by dividing the total amount of dumping calculated for the examined sales made to that importer by the total quantity associated with those sales. To determine whether an importer-specific, per-unit assessment rate is *de minimis,* in accordance with 19 CFR 351.106(c)(2), we also will calculate an importer-specific *ad valorem* ratio based on estimated entered values. Where either a respondent's weighted average dumping margin is zero or *de minimis,* or an importer-specific *ad valorem* assessment rate is zero or *de minimis,* we intend to instruct CBP to liquidate appropriate entries without regard to antidumping duties.[14]

For entries of subject merchandise during the POR produced by Sucroal for which the producer did not know that the merchandise was destined for the United States, we will instruct CBP to liquidate such entries at the all-others rate (*i.e.,* 28.48 percent) if there is no rate for the intermediate company(ies) involved in the transaction.[15]

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

Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for Sucroal will be equal to the weighted-average dumping margin established in the final results of this administrative review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rates will be zero; (2) for previously reviewed or investigated companies not participating in this review, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the producer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation but the producer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the subject merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be the all-others rate of

[7] *See* 19 CFR 351.224(b).

[8] *See* 19 CFR 351.309(c)(1)(ii); *see also* 19 CFR 351.303 (for general filing requirements).

[9] *See* 19 CFR 351.309(d).

[10] *See* 19 CFR 351.309(c)(2) and (d)(2).

[11] We use the term ''issue'' here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

[12] *See Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings; Final Rule,* 88 FR 67069 (September 29, 2023).

[13] *See* 19 CFR 351.310(d).

[14] *See* 19 CFR 351.106(c)(2); *see also Antidumping Proceeding: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings; Final Modification,* 77 FR 8101, 8103 (February 14, 2012).

[15] *See Order,* 83 FR at 35215; *see also Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties,* 68 FR 23954 (May 6, 2003).

28.48 percent.[16] These cash deposit requirements, when imposed, shall remain in effect until further notice.

Final Results of Review

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2), Commerce will issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their case briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

Notification to Importers

This notice also serves as a preliminary 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 ADs occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

We are issuing and publishing these preliminary results of review in accordance with sections 751(a)(1) and 777(i)(1) of the Act, 19 CFR 351.213(h), and 19 CFR 351.221(b)(4).

Dated: July 31, 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 Preliminary Decision Memorandum

I. Summary
II. Background
III. Scope of the *Order*
IV. Discussion of the Methodology
V. Currency Conversion
VI. Recommendation

[FR Doc. 2025–14845 Filed 8–4–25; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

Quarterly Update to Annual Listing of Foreign Government Subsidies on Articles of Cheese Subject to an In-Quota Rate of Duty

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

DATES: Comments must be submitted by September 30, 2025.

ADDRESSES: The U.S. Department of Commerce (Commerce) encourages any person having information on foreign government subsidy programs which benefit articles of cheese subject to an in-quota rate of duty to submit such information in writing. All comments must be submitted through the Federal eRulemaking Portal at *https://www.regulations.gov,* Docket No. ITA–2020–0005. The materials in the docket will not be edited to remove identifying or contact information, and Commerce cautions against including any information in an electronic submission that the submitter does not want publicly disclosed. Attachments to electronic comments will be accepted in Microsoft Word, Excel, or Adobe PDF formats only.

All comments should be addressed to Christopher Abbott, Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, at the U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.

FOR FURTHER INFORMATION CONTACT: Samuel Brummitt, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, telephone: (202) 482–7851.

SUPPLEMENTARY INFORMATION:

Background

On May 5, 2025, pursuant to section 702(h) of the Trade Agreements Act of 1979, as amended (the Act), Commerce published the quarterly update to the annual listing of foreign government subsidies on articles of cheese subject to an in-quota rate of duty covering the period October 1, 2024, through December 31, 2024.[1] In the *Fourth Quarter 2024 Update,* we requested that any party that had information on foreign government subsidy programs that benefited articles of cheese subject to an in-quota rate of duty submit such information to Commerce.[2] We received no comments, information, or requests for consultation from any party.

Pursuant to section 702(h) of the Act, we hereby provide Commerce's update of subsidies on articles of cheese that were imported during the period January 1, 2025, through March 31, 2025. The appendix to this notice lists the country, the subsidy program or programs, and the gross and net amounts of each subsidy for which information is currently available. Commerce will incorporate additional programs which are found to constitute subsidies, and additional information on the subsidy programs listed, as the information is developed.

Notification to Interested Parties

This determination and notice are in accordance with section 702(a) of the Act.

Dated: July 31, 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

Subsidy Programs on Cheese Subject to an In-Quota Rate of Duty

Country	Program(s)	Gross[3] subsidy ($/lb.)	Net[4] subsidy ($/lb.)
27 European Union Member States[5].	European Union Restitution Payments.	$ 0.00	$ 0.00
Canada	Export Assistance on Certain Types of Cheese.	0.47	0.47
Norway	Indirect (Milk) Subsidy	0.00	0.00
	Consumer Subsidy	*0.00*	*0.00*
Total	0.00	0.00.	

[16] *See Order,* 83 FR at 35215.

[1] *See Quarterly Update to Annual Listing of Foreign Government Subsidies on Articles of Cheese Subject to an In-Quota Rate of Duty,* 90 FR 18956 (May 5, 2025) (*Fourth Quarter 2024 Update*).

[2] *Id.*

[3] Defined in 19 U.S.C. 1677(5).

[4] Defined in 19 U.S.C. 1677(6).

[5] The 27 member states of the European Union are: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, and Sweden.

Country	Program(s)	Gross [3] subsidy ($/lb.)	Net [4] subsidy ($/lb.)
Switzerland	Deficiency Payments	0.00	0.00

[FR Doc. 2025–14844 Filed 8–4–25; 8:45 am]

BILLING CODE 3510–DS–P

COMMODITY FUTURES TRADING COMMISSION

Agency Information Collection Activities: Proposed Collection, Comment Request

AGENCY: Commodity Futures Trading Commission.

ACTION: Notice.

SUMMARY: The Commodity Futures Trading Commission (CFTC) is announcing an opportunity for public comment on the proposed 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 proposed extension of an existing collection of information, and to allow 60 days for public comment. The CFTC is requesting public comment on a proposed information collection concerning ''Survey of the Costs of Bank Secrecy Act/Anti-Money Laundering Compliance'' (Survey).

DATES: Comments must be submitted on or before October 6, 2025.

ADDRESSES: You may submit comments, identified by ''Survey of the Costs of Bank Secrecy Act/Anti-Money Laundering Compliance (OMB Control No. 3038–XXXX)'' 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.

FOR FURTHER INFORMATION CONTACT: H. Adam Schwartzman, Attorney Advisor, Market Participant's Division, Commodity Futures Trading Commission, (202) 340–7236; email: *aschwartzman@cftc.gov.*

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 collection 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: Survey of the Costs of Bank Secrecy Act/Anti-Money Laundering Compliance (OMB Control No. 3038–XXXX). This is a request for approval of a new information collection.

Abstract: The proposed survey seeks to gather information on the direct costs incurred by CFTC-registered futures commission merchants and introducing brokers in complying with the Bank Secrecy Act (BSA) and related Anti-Money Laundering (AML) requirements. Responses will help the agency understand the financial impact of these regulations and may be used to shape deregulatory proposals consistent with the Executive Orders of the Trump administration.

With respect to the proposed collection of information, the CFTC invites comments on:

- Whether the proposed collection of information is 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 burden of the proposed collection 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 burden 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.

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.* 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, 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.[1]

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 ICR 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 the Freedom of Information Act.

Burden Statement: The estimated hour burden for this collection is calculated as follows:

Estimated number of respondents: 956.

Estimated number of reports per respondent: 1.

Average number of hours per report: 2.

Estimated total annual burden hours: 1912.]

There are no capital costs or operating and maintenance costs associated with this collection.

(*Authority:* 44 U.S.C. 3501 *et seq.*)

Dated: July 31, 2025.

Robert Sidman,

Deputy Secretary of the Commission.

[FR Doc. 2025–14778 Filed 8–4–25; 8:45 am]

BILLING CODE 6351–01–P

[1] 17 CFR 145.9.

DEPARTMENT OF DEFENSE

Office of the Secretary

[Docket ID: DoD–2025–OS–0375]

Proposed Collection; Comment Request

AGENCY: Office of the Under Secretary of Defense for Acquisition and Sustainment (USD(A&S)), Department of Defense (DoD).

ACTION: 60-Day information collection notice.

SUMMARY: In compliance with the *Paperwork Reduction Act of 1995,* the Defense Logistics Agency (DLA) announces a proposed public information collection and seeks public comment on the provisions thereof. Comments are invited on: whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; the accuracy of the agency's estimate of the burden of the proposed information collection; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the information collection on respondents, including through the use of automated collection techniques or other forms of information technology.

DATES: Consideration will be given to all comments received by October 6, 2025.

ADDRESSES: You may submit comments, identified by docket number and title, by any of the following methods:

Federal eRulemaking Portal: http://www.regulations.gov. Follow the instructions for submitting comments.

Mail: Department of Defense, Office of the Assistant to the Secretary of Defense for Privacy, Civil Liberties, and Transparency, Regulatory Directorate, 4800 Mark Center Drive, Mailbox #24, Suite 05F16, Alexandria, VA 22350–1700.

Instructions: All submissions received must include the agency name, docket number and title for this **Federal Register** document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing on the internet at *http://www.regulations.gov* as they are received without change, including any personal identifiers or contact information.

FOR FURTHER INFORMATION CONTACT: To request more information on this proposed information collection or to obtain a copy of the proposal and associated collection instruments, please write to the Defense Logistics Agency, 8725 John J Kingman Rd., STP 10400, Ft Belvoir, VA 22060, Mr. Timothy Murphy, 571–224–7235.

SUPPLEMENTARY INFORMATION:

Title; Associated Form; and OMB Number: DLA Energy Request for Customer QR Code; DLA Energy Form 2063; OMB Control Number 0704–0640.

Needs and Uses: Entities with a fuel purchase agreement with DLA Energy, including DoD, Federal Agencies, Federal Contractors, and Non-U.S. Government Entities, can request a Customer Quick Response (QR) code to purchase petroleum and aerospace products from DLA Energy via the DLA Form 2063, ''DLA Energy Request for Customer QR Code.'' DoD Manual 4140.25, ''DoD Management of Energy Commodities: Sales Accountability and Documentation Management,'' authorizes customers to use several forms of Authorized Purchase Source Media to buy fuel from DLA Energy. One of these methods is via Customer QR codes. DLA Energy Publication P–29, ''EPoS Customer QR Codes,'' implements policy, assigns responsibilities, and provides procedures for managing Customer QR codes.

Affected Public: Business or other for-profit.

Annual Burden Hours: 730.

Number of Respondents: 730.

Responses per Respondent: 1.

Annual Responses: 730.

Average Burden per Response: 1 hour.

Frequency: On occasion.

Dated: July 31, 2025.

Stephanie J. Bost,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 2025–14761 Filed 8–4–25; 8:45 am]

BILLING CODE 6001–FR–P

DEPARTMENT OF DEFENSE

Department of the Army, Corps of Engineers

Notice of Mississippi River Commission Public Meetings for Fall 2025

AGENCY: Corps of Engineers, Department of the Army, DoD.

ACTION: Notice.

SUMMARY: The Mississippi River Commission will hold its fall of 2025 meetings at the below locations, dates and times.

DATES: August 15, 2025, 9:00 a.m. St. Louis, Missouri; August 18, 2025, 9:00 a.m. Caruthersville, Missouri; August 19, 2025, 9:00 a.m. Memphis, TN; August 20, 2025, Greenville, Mississippi; August 22, 2025, Morgan City, Louisiana. Locations for the public meetings will take place on the Motor Vessel Mississippi. Additional details for the public meetings are included in the **SUPPLEMENTARY INFORMATION** section of this notice.

ADDRESSES: The physical address for the Mississippi River Commission is 1400 Walnut Drive, Vicksburg, Mississippi 39180.

FOR FURTHER INFORMATION CONTACT: Mr. Jacob Brister, telephone 601–634–7023. Also see: *https://www.mvd.usace.army.mil/About/Mississippi-River-Commission-MRC/Public-Meeting-Schedule/.*

SUPPLEMENTARY INFORMATION:

Time and Date: 9:00 a.m., August 15, 2025.

Place: On board the Motor Vessel MISSISSIPPI at City Front, St. Louis, Missouri.

Status: Open to the public.

Matters To Be Considered: (1) Summary report by President of the Commission on national and regional issues affecting the U.S. Army Corps of Engineers and Commission programs and projects on the Mississippi River and its tributaries; (2) District Commander's overview of current project issues within the St. Louis District; and (3) Presentations by local organizations and members of the public giving views or comments on any issue affecting the programs or projects of the Commission and the Corps of Engineers.

Time and Date: 9:00 a.m., August 18, 2025.

Place: On board the Motor Vessel MISSISSIPPI at City Front, Caruthersville, Missouri.

Status: Open to the public.

Matters To Be Considered: (1) Summary report by President of the Commission on national and regional issues affecting the U.S. Army Corps of Engineers and Commission programs and projects on the Mississippi River and its tributaries; (2) District Commander's overview of current project issues within the Memphis District; and (3) Presentations by local organizations and members of the public giving views or comments on any issue affecting the programs or projects of the Commission and the Corps of Engineers.

Time and Date: 9:00 a.m., August 19, 2025.

Place: On board the Motor Vessel MISSISSIPPI at Mud Island Park, Memphis, Tennessee.

Status: Open to the public.

Matters to be Considered: (1) Summary report by President of the Commission on national and regional issues affecting the U.S. Army Corps of Engineers and Commission programs and projects on the Mississippi River and its tributaries; (2) District Commander's overview of current project issues within the Memphis District; and (3) Presentations by local organizations and members of the public giving views or comments on any issue affecting the programs or projects of the Commission and the Corps of Engineers.

Time and Date: 9:00 a.m., August 20, 2025.

Place: On board the Motor Vessel MISSISSIPPI at City Front, Greenville, Mississippi.

Status: Open to the public.

Matters to be Considered: (1) Summary report by President of the Commission on national and regional issues affecting the U.S. Army Corps of Engineers and Commission programs and projects on the Mississippi River and its tributaries; (2) District Commander's overview of current project issues within the Vicksburg District; and (3) Presentations by local organizations and members of the public giving views or comments on any issue affecting the programs or projects of the Commission and the Corps of Engineers.

Time and Date: 9:00 a.m., August 22, 2025.

Place: On board the Motor Vessel MISSISSIPPI at Port Commission Dock, Morgan City, Louisiana.

Status: Open to the public.

Matters to be Considered: (1) Summary report by President of the Commission on national and regional issues affecting the U.S. Army Corps of Engineers and Commission programs and projects on the Mississippi River and its tributaries; (2) District Commander's overview of current project issues within the New Orleans District; and (3) Presentations by local organizations and members of the public giving views or comments on any issue affecting the programs or projects of the Commission and the Corps of Engineers.

James A. Bodron,

Programs Director, Mississippi Valley Division.

[FR Doc. 2025–14735 Filed 8–4–25; 8:45 am]

BILLING CODE 3720–58–P

DEPARTMENT OF DEFENSE

Department of the Navy

[Docket ID: USN–2025–HQ–0136]

Proposed Collection; Comment Request

AGENCY: Department of the Navy, Department of Defense (DoD).

ACTION: 60-Day information collection notice.

SUMMARY: In compliance with the *Paperwork Reduction Act of 1995,* the United States Marine Corps Manpower and Reserve Affairs announces a proposed public information collection and seeks public comment on the provisions thereof. Comments are invited on: whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; the accuracy of the agency's estimate of the burden of the proposed information collection; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the information collection on respondents, including through the use of automated collection techniques or other forms of information technology.

DATES: Consideration will be given to all comments received by October 6, 2025.

ADDRESSES: You may submit comments, identified by docket number and title, by any of the following methods:

Federal eRulemaking Portal: http://www.regulations.gov. Follow the instructions for submitting comments.

Mail: Department of Defense, Office of the Assistant to the Secretary of Defense for Privacy, Civil Liberties, and Transparency, Regulatory Directorate, 4800 Mark Center Drive, Mailbox #24 Suite 05F16, Alexandria, VA 22350–1700.

Instructions: All submissions received must include the agency name, docket number and title for this **Federal Register** document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing on the internet at *http://www.regulations.gov* as they are received without change, including any personal identifiers or contact information.

FOR FURTHER INFORMATION CONTACT: To request more information on this proposed information collection or to obtain a copy of the proposal and associated collection instruments, please write to AR Division, Headquarters Marine Corps3000 Marine Corps, Pentagon Rm 2B253, Mark Kazzi, *mark.kazzi@usmc.mil,* (571) 256–8883.

SUPPLEMENTARY INFORMATION:

Title; Associated Form; and OMB Number: USMC Family Care Program Forms; NAVMC 1750–16 AND 1750–17; OMB Control Number 0712–FMLY.

Needs and Uses: The information collected on these forms is used to support Child and Youth Program (CYP) and School Liaison Program (SLP) activities. For the many transient families we serve, this information helps connect them with the receiving installation's CYP, SLP, or other partnering programs to ensure continuity of support. When an installation's CYP or SLP becomes aware that a family is outbound, they will often connect the family with the receiving installation's CYP, SLP, or other programs, as needed. The YC Request Form can be used to facilitate this. The form offers guidance on how CYP R&R can connect families. Respondents are parents/guardians and youth and will receive the forms directly (usually through the CYP or SLP offices or online portals). Respondents will complete the forms by providing required personal and education information. Parents/guardians complete Navy/Marine Corps (NAVMC) 1750/16 to receive educational information and assistance from local school districts and CYP programs. Parents/guardians and youth complete NAVMC 1750/17 for an opportunity for their youth to be a peer leader. Completed forms are returned to CYP or SLP offices for processing, either in person or electronically. CYP or SLP staff process the forms once returned. These staff members use the information to provide the appropriate services and/or connect families with the receiving installation's programs. The goal is to support military families by ensuring youth have access to educational resources, peer leadership opportunities, and smooth transitions between installations. It helps maintain continuity of educational and youth services, facilitating family readiness and well-being within military communities.

Affected Public: Individuals or households.

Annual Burden Hours: 2,500.

Number of Respondents: 5,000.

Responses Per Respondent: 1.

Annual Responses: 5,000.

Average Burden Per Response: 30 minutes.

Frequency: One time.

USMC Family Care Branch includes CYP and SLP. The mission of the CYP

is to provide quality, accessible and affordable childcare programs and services to support the overall operational readiness and retention of eligible Marine Corps families. The mission of the SLP is to promote awareness of the unique educational needs of military connected children and facilitate successful school transitions. CYP and SLP information collections are necessary to obtain interest in being a peer leader, educational information, and assistance from local school districts and CYP programs to support transitioning families. Peer leaders are representatives of Youth Connection that will attend events and activities, submit paperwork on time, respond to communication, and request help when needed.

Dated: July 31, 2025.

Stephanie J. Bost,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 2025–14763 Filed 8–4–25; 8:45 am]

BILLING CODE 6001–FR–P

DEPARTMENT OF DEFENSE

Department of the Navy

[Docket ID: USN–2025–HQ–0137]

Proposed Collection; Comment Request

AGENCY: Department of the Navy, Department of Defense (DoD).

ACTION: 60-Day information collection notice.

SUMMARY: In compliance with the *Paperwork Reduction Act of 1995,* the United States Marine Corps Manpower and Reserve Affairs announces a proposed public information collection and seeks public comment on the provisions thereof. Comments are invited on: whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; the accuracy of the agency's estimate of the burden of the proposed information collection; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the information collection on respondents, including through the use of automated collection techniques or other forms of information technology.

DATES: Consideration will be given to all comments received by October 6, 2025.

ADDRESSES: You may submit comments, identified by docket number and title, by any of the following methods:

Federal eRulemaking Portal: http://www.regulations.gov. Follow the instructions for submitting comments.

Mail: Department of Defense, Office of the Assistant to the Secretary of Defense for Privacy, Civil Liberties, and Transparency, Regulatory Directorate, 4800 Mark Center Drive, Mailbox #24 Suite 05F16, Alexandria, VA 22350–1700.

Instructions: All submissions received must include the agency name, docket number and title for this **Federal Register** document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing on the internet at *http://www.regulations.gov* as they are received without change, including any personal identifiers or contact information.

FOR FURTHER INFORMATION CONTACT: To request more information on this proposed information collection or to obtain a copy of the proposal and associated collection instruments, please write to AR Division, Headquarters Marine Corps 3000 Marine Corps, Pentagon Rm 2B253, Mark Kazzi, *mark.kazzi@usmc.mil,* (571) 256–8883.

SUPPLEMENTARY INFORMATION:

Title; Associated Form; and OMB Number: USMC Dependency Statement Child Born Out of Wedlock Under Age 21, NAVMC 1750–13; OMB Control Number 0712–0010.

Needs and Uses: The information collected will be used to support Installation/Command level and MFP–1 dependency determinations and basic allowance housing (BAH) entitlement decisions for children under the age of 21 born out of wedlock to non-service member guardians not residing in the service member's household. Respondents are made aware of this collection through MCO 1751.3 Ch1 and their Installation Personnel Administration Center (IPAC). The respondents can obtain a copy of the Navy/Marine Corps (NAVMC) 1750/13 through the NAVMC forms website (*https://forms.documentservices.dla.mil/order/*) or from their IPAC via email. IPAC contact information for respondents to seek assistance with obtaining, completing, or submitting the NAVMC 1750/13 is outlined in their IPAC's Standard Operating Procedures (SOP). A sample of the IPAC SOP is attached to this package.

The service member requesting the BAH entitlement completes sections 1 and 2 on the digitally fillable NAVMC 1750/13 and signs the form. The non-service member guardian of the claimed dependent completes sections 3–12 on the NAVMC 1750/13, prints the document, signs in the presence of a Notary Public, and has the form notarized to officially confirm their responses. The minors themselves are not authorized respondents. Respondents submit their completed and notarized NAVMC 1750/13, along with any appropriate supporting documentation related to their individual responses, via email or in person to their IPAC personnel officer as directed by their IPAC's SOP. Cases are typically adjudicated by the IPAC personnel officer at the Installation/Command level and the approval decision for BAH entitlement is communicated to the respondent telephonically. The IPAC personnel officer elevates cases that can't be resolved at the Installation/Command level to MFP–1 at *mfp1@usmc.mil.* MFP–1 will then make a final determination based on the provided documentation and reply to the IPAC personnel officer, who telephonically notifies the respondent of the result of the dependency determination/BAH entitlement decision.

Affected Public: Individuals or households.

Annual Burden Hours: 25.

Number of Respondents: 20.

Responses per Respondent: 1.

Annual Responses: 20.

Average Burden per Response: 75 minutes.

Frequency: On occasion.

The NAVMC Form 1750/13, ''USMC Dependency Statement Child Born Out of Wedlock Under Age 21'' is needed to assist USMC Installation command representatives and the Marine and Family Programs Division, Defense Enrollment Eligibility Reporting System/Dependency Determination Section (MFP–1) in properly making informed BAH entitlement determinations for claimed children under the age of 21 born out of wedlock to non-service member partners and who do not reside within the household of the service member. The collection provides formal documentation and respondent attestation of overall financial support case facts, which is a particularly critical piece of documentation in cases where the legitimacy of primary dependency status or service member BAH entitlement claim is deemed questionable to the USMC.

The NAVMC 1750/13 is distributed and collected via email, and respondents' complete sections 1–12 electronically on the fillable PDF. The collection cannot be conducted 100% electronically, as signatures required in section 13 must be done on a printed

hard copy with a Notary Public present to certify the legitimacy of the provided information.

Dated: July 31, 2025.

Stephanie J. Bost,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 2025–14762 Filed 8–4–25; 8:45 am]

BILLING CODE 6001–FR–P

DEPARTMENT OF EDUCATION

Annual Updates to the Income-Contingent Repayment (ICR) Plan Formula for 2025—William D. Ford Federal Direct Loan Program

AGENCY: Federal Student Aid, Department of Education.

ACTION: Notice.

SUMMARY: The Secretary announces the annual updates to the ICR plan formula for 2025 to give notice to borrowers and the public regarding how monthly ICR payment amounts will be calculated for the 2025–2026 year under the William D. Ford Federal Direct Loan (Direct Loan) Program, Assistance Listing Number 84.063.

DATES: The adjustments to the income percentage factors for the ICR plan formula contained in this notice are applicable from July 1, 2025, to June 30, 2026, for any borrower who enters the ICR plan or has a monthly payment amount under the ICR plan recalculated during that period.

FOR FURTHER INFORMATION CONTACT: Travis Sturlaugson, U.S. Department of Education, 400 Maryland Avenue SW, Washington, DC 20202. Telephone: (202) 377–4174. Email: *travis.sturlaugson@ed.gov.*

If you are deaf, hard of hearing, or have a speech disability and wish to access telecommunications relay services, please dial 7–1–1.

SUPPLEMENTARY INFORMATION:

Under the Direct Loan Program, borrowers may choose to repay their non-defaulted Direct Subsidized Loans, Direct Unsubsidized Loans, Direct PLUS Loans made to graduate or professional students, and Direct Consolidation Loans under the ICR plan. The ICR plan bases the borrower's monthly payment amount on the borrower's Adjusted Gross Income (AGI), family size, loan amount, and the interest rate applicable to each of the borrower's loans.

A Direct Loan borrower who repays under the ICR plan pays the lesser of: (1) the monthly amount that would be required over a 12-year repayment period with fixed payments, multiplied by an income percentage factor; or (2) 20 percent of their discretionary income.

We adjust the income percentage factors annually to reflect changes in inflation and announce the adjusted factors in the **Federal Register**, as required by 34 CFR 685.209(f)(4)(i)(A). We use the adjusted income percentage factors to calculate a borrower's monthly ICR payment amount when the borrower initially applies for the ICR plan or when the borrower submits annual income documentation, as required under the ICR plan. This notice contains the adjusted income percentage factors for 2025, examples of how the monthly ICR payment amount is calculated, and charts showing sample repayment amounts based on the adjusted ICR plan formula. This information is included in the following three attachments:

- *Attachment 1—Income Percentage Factors for 2025*
- *Attachment 2—Examples of the Calculations of Monthly Repayment Amounts*
- *Attachment 3—Charts Showing Sample ICR Repayment Amounts for Single and Married Borrowers*

In Attachment 1, to reflect changes in inflation, we updated the income percentage factors that were published in the **Federal Register** on April 5, 2024 (89 FR 23990). Specifically, we have revised the table of income percentage factors by changing the dollar amounts of the incomes shown by a percentage equal to the estimated percentage change between the not-seasonally-adjusted Consumer Price Index for all urban consumers for December 2024 and December 2025.

The income percentage factors reflected in Attachment 1 may cause a borrower's payments to be lower than they were in prior years, even if the borrower's income is the same as in the prior year. The revised repayment amount more accurately reflects the impact of inflation on the borrower's current ability to repay.

Accessible Format: On request to the program contact person listed under **FOR FURTHER INFORMATION CONTACT**, individuals with disabilities can obtain this document in an accessible format. The Department will provide the requestor with an accessible format that may include Rich Text Format (RTF) or text format (txt), a thumb drive, an MP3 file, braille, large print, audiotape, or compact disc, or other accessible format.

Electronic Access to This Document: The official version of this document is the document published in the **Federal Register**. You may access the official edition of the **Federal Register** and the Code of Federal Regulations at *www.govinfo.gov.* At this site, you can view this document, as well as all other documents of this Department published in the **Federal Register**, in text or Portable Document Format (PDF). To use PDF, you must have Adobe Acrobat Reader, which is available free at this site.

You may also access documents of the Department published in the **Federal Register** by using the article search feature at *www.federalregister.gov.* Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Program Authority: 20 U.S.C. 1087 *et seq.*

James Bergeron,

Acting Chief Operating Officer, Federal Student Aid.

Attachment 1—Income Percentage Factors for 2025

INCOME PERCENTAGE FACTORS FOR 2025

Single		Married/head of household	
AGI	% Factor	AGI	% Factor
$13,722	55.00	$13,722	50.52
18,881	57.79	21,650	56.68
24,295	60.57	25,800	59.56
29,831	66.23	33,730	67.79
35,118	71.89	41,786	75.22
41,786	80.33	52,483	87.61
52,483	88.77	65,823	100.00
65,824	100.00	79,170	100.00
79,170	100.00	99,186	109.40

INCOME PERCENTAGE FACTORS FOR 2025—Continued

Single		Married/head of household	
AGI	% Factor	AGI	% Factor
95,150	111.80	132,534	125.00
121,836	123.50	179,230	140.60
172,561	141.20	250,660	150.00
197,858	150.00	409,597	200.00
352,418	200.00		

Attachment 2—Examples of the Calculations of Monthly Repayment Amounts

General notes about the examples in this attachment:

- We have a calculator that borrowers can use to estimate what their payment amounts would be under the ICR plan. The calculator is called the ''Loan Simulator'' and is available at *studentaid.gov/loan-simulator*. Based on information entered into the calculator by the borrower (for example, income, family size, and tax filing status), this calculator provides a detailed, individualized assessment of a borrower's loans and repayment plan options, including the ICR plan.
- The interest rates used in the examples are for illustration only. The actual interest rates on an individual borrower's Direct Loans depend on the loan type and when the loan was first disbursed.
- The Poverty Guideline amounts used in the examples are from the 2025 U.S. Department of Health and Human Services (HHS) Poverty Guidelines for the 48 contiguous States and the District of Columbia. Different Poverty Guidelines apply to residents of Alaska and Hawaii. The Poverty Guidelines for 2025 were published in the **Federal Register** on January 17, 2025 (90 FR 5917).
- All of the examples use an income percentage factor corresponding to an adjusted gross income (AGI) in the table in Attachment 1. If an AGI is not listed in the income percentage factors table in Attachment 1, the applicable income percentage can be calculated by following the instructions under the ''Interpolation'' heading later in this attachment.
- Married borrowers may repay their Direct Loans jointly under the ICR plan if both spouses have loans eligible for the ICR plan. If a married couple elects this option, we determine a joint ICR payment amount based on the combined outstanding balances of each borrower's Direct Loans and the combined AGIs of both borrowers. We then prorate the joint payment amount for each borrower based on the proportion of that borrower's debt to the total outstanding balance. We bill each borrower separately.
- For example, if a married couple, John and Briana, has a total outstanding Direct Loan debt of $60,000 that is eligible for repayment under the ICR plan, of which $40,000 belongs to John and $20,000 to Briana, we would apportion 67 percent of the monthly ICR payment to John and the remaining 33 percent to Briana. To take advantage of a joint ICR payment, married couples need not file taxes jointly; they may file separately and subsequently provide the other spouse's tax information to the borrower's Federal loan servicer.

Calculating the monthly payment amount using a standard amortization and a 12-year repayment period.

The formula to amortize a loan with a standard schedule (in which each payment is the same over the course of the repayment period) is as follows:

$$M = P \times <(I \div 12) \div [1 - \{1 + (I \div 12)\} \wedge -N]>$$

In the formula—

- M is the monthly payment amount;
- P is the outstanding principal and interest balance of the loan at the time the loan entered repayment;
- I is the annual interest rate on the loan, expressed as a decimal (for example, for a loan with an interest rate of 6 percent, 0.06); and
- N is the total number of months in the repayment period (for example, for a loan with a 12-year repayment period, 144 months).

For example, assume that Billy has a $10,000 Direct Loan that is eligible for repayment under the ICR plan with an interest rate of 6 percent.

Step 1: To solve for M, first simplify the numerator of the fraction by which we multiply P, the outstanding principal balance. To do this divide I (the interest rate expressed as a decimal) by 12. In this example, Billy's interest rate is 6 percent. As a decimal, 6 percent is 0.06.

- $0.06 \div 12 = 0.005$

Step 2: Next, simplify the denominator of the fraction by which we multiply P. To do this divide I (the interest rate expressed as a decimal) by 12. Then, add one. Next, raise the sum of the two figures to the negative power that corresponds to the length of the repayment period in months. In this example, because we are amortizing a loan to calculate the monthly payment amount under the ICR plan, the applicable figure is 12 years, which is 144 months. Finally, subtract the result from one.

- $0.06 \div 12 = 0.005$
- $1 + 0.005 = 1.005$
- $1.005 \wedge -144 = 0.48762628$
- $1 - 0.48762628 = 0.51237372$

Step 3: Next, resolve the fraction by dividing the result from Step 1 by the result from Step 2.

- $0.005 \div 0.51237372 = 0.0097585$

Step 4: Finally, solve for M, the monthly payment amount, by multiplying the outstanding principal balance of the loan by the result of Step 3.

- $\$10,000 \times 0.0097585 = \$97.59$

The remainder of the examples in this attachment will only show the results of the formula. In each of the examples, the Direct Loan amounts represent the outstanding principal balance at the time the loans entered repayment.

Example 1. Kesha is single with no dependents and has $15,000 in Direct Loans that are eligible for repayment under the ICR plan. The interest rate on Kesha's loans is 6 percent, and she has an AGI of $35,118.

Step 1: Determine the total monthly payment amount based on what Kesha would pay over 12 years using standard amortization. To do this, use the formula that precedes Example 1. In this example, the monthly payment amount would be $146.38.

Step 2: Multiply the result of Step 1 by the income percentage factor shown in the income percentage factors table (see Attachment 1 to this notice) that corresponds to Kesha's AGI. In this example, an AGI of $35,118 corresponds to an income percentage factor of 71.89 percent.

- $0.7189 \times \$146.38 = \$105.23$

Step 3: Now, determine the monthly payment amount equal to 20 percent of

Kesha's discretionary income (discretionary income is AGI minus the HHS Poverty Guideline amount for a borrower's family size and State of residence). To do this, subtract the HHS Poverty Guideline amount for a family of one from Kesha's AGI, multiply the result by 20 percent, and then divide by 12:

- $35,118 − $15,650 = $19,468
- $19,468 × 0.20 = $3,893.60
- $3,893.60 ÷ 12 = $324.47

Step 4: Compare the amount from Step 2 with the amount from Step 3. In this example, Kesha would pay the amount calculated under Step 2 ($105.23), since this is the lesser of the two payment amounts.

Example 2. Paul is married to Jesse, and they have no dependents. They file their Federal income tax return jointly. Paul has a Direct Loan balance of $10,000, and Jesse has a Direct Loan balance of $15,000. Both of their Direct Loans are eligible for repayment under the ICR plan and have an interest rate of 6 percent.

Paul and Jesse have a combined AGI of $99,186 and are repaying their loans jointly under the ICR plan (for general information regarding joint ICR payments for married couples, see the fifth and sixth bullets under the heading ''General notes about the examples in this attachment'').

Step 1: Add Paul's and Jesse's Direct Loan balances to determine their combined aggregate loan balance:

- $10,000 + $15,000 = $25,000

Step 2: Determine the combined monthly payment amount for Paul and Jesse based on what both borrowers would pay over 12 years using standard amortization. To do this, use the formula that precedes Example 1. In this example, their combined monthly payment amount would be $243.96.

Step 3: Multiply the result of Step 2 by the income percentage factor shown in the income percentage factors table (see Attachment 1 to this notice) that corresponds to Paul and Jesse's combined AGI. In this example, the combined AGI of $99,186 corresponds to an income percentage factor of 109.40 percent.

- 1.094 × $243.96 = $266.90

Step 4: Now, determine the monthly payment amount equal to 20 percent of Paul and Jesse's combined discretionary income (discretionary income is AGI minus the HHS Poverty Guideline amount for a borrower's family size and State of residence). To do this, subtract the Poverty Guideline amount for a family of two from the combined AGI, multiply the result by 20 percent, and then divide by 12:

- $99,186 − $21,150 = $78,036
- $78,036 × 0.20 = $15,607.20
- $15,607.20 ÷ 12 = $1,300.60

Step 5: Compare the amount from Step 3 with the amount from Step 4. Paul and Jesse would jointly pay the amount calculated under Step 3 ($266.90), since this is the lesser of the two amounts.

Step 6: Because Paul and Jesse are jointly repaying their Direct Loans under the ICR plan, the monthly payment amount calculated under Step 5 applies to Paul and Jesse's combined loans. To determine the amount for which each borrower will be responsible, prorate the amount calculated under Step 4 by each spouse's share of the combined Direct Loan debt. Paul has a Direct Loan debt of $10,000 and Jesse has a Direct Loan debt of $15,000. For Paul, the monthly payment amount will be:

- $10,000 ÷ ($10,000 + $15,000) = 40 percent
- 0.40 × $266.90 = $106.76

For Jesse, the monthly payment amount will be:

- $15,000 ÷ ($10,000 + $15,000) = 60 percent
- 0.60 × $266.90 = $160.14

Example 3. Santiago is single with no dependents and has a combined balance of $60,000 in Direct Loans that are eligible for repayment under the ICR plan. Each of Santiago's loans has an interest rate of 6 percent, and Santiago's AGI is $41,786.

Step 1: Determine the total monthly payment amount based on what Santiago would pay over 12 years using standard amortization. To do this, use the formula that precedes Example 1. In this example, the monthly payment amount would be $585.51.

Step 2: Multiply the result of Step 1 by the income percentage factor shown in the income percentage factors table (see Attachment 1 to this notice) that corresponds to Santiago's AGI. In this example, an AGI of $41,786 corresponds to an income percentage factor of 80.33 percent.

- 0.8033 × $585.51 = $470.34

Step 3: Now, determine the monthly payment amount equal to 20 percent of Santiago's discretionary income (discretionary income is AGI minus the HHS Poverty Guideline amount for a borrower's family size and State of residence). To do this, subtract the HHS Poverty Guideline amount for a family of one from Santiago's AGI, multiply the result by 20 percent, and then divide by 12:

- $41,786 − $15,650 = $26,136
- $26,136 × 0.20 = $5,227.20
- $5,227.20 ÷ 12 = $435.60

Step 4: Compare the amount from Step 2 with the amount from Step 3. In this example, Santiago would pay the amount calculated under Step 3 ($435.60), since this is the lesser of the two amounts.

Interpolation. If an AGI is not included on the income percentage factor table, calculate the income percentage factor through linear interpolation. For example, assume that Jocelyn is single with an AGI of $50,000.

Step 1: Find the closest AGI listed that is less than Jocelyn's AGI of $50,000 ($41,786) and the closest AGI listed that is greater than Jocelyn's AGI of $50,000 ($52,438).

Step 2: Subtract the lower amount from the higher amount (for this discussion we will call the result the ''income interval''):

- $52,438 − $41,786 = $10,697

Step 3: Determine the difference between the two income percentage factors that correspond to the AGIs used in Step 2 (for this discussion, we will call the result the ''income percentage factor interval''):

- 88.77 percent − 80.33 percent = 8.44 percent

Step 4: Subtract from Jocelyn's AGI the closest AGI shown on the chart that is less than Jocelyn's AGI of $50,000:

- $50,000 − $41,786 = $8,214

Step 5: Divide the result of Step 4 by the income interval determined in Step 2:

- $8,214 ÷ $10,697 = 76.79 percent

Step 6: Multiply the result of Step 5 by the income percentage factor interval that was calculated in Step 3:

- 8.44 percent × 76.79 percent = 6.48 percent

Step 7: Add the result of Step 6 to the lower of the two income percentage factors used in Step 3 to calculate the income percentage factor interval for an AGI of $50,000:

- 6.48 percent + 80.33 percent = 86.81 percent (rounded to the nearest hundredth)

The result is the income percentage factor that we will use to calculate Jocelyn's monthly repayment amount under the ICR plan.

Attachment 3—Charts Showing Sample Income Contingent Repayment (ICR) Plan Amounts for Single and Married Borrowers

Below are two charts that provide first-year payment amount estimates for a variety of loan debt sizes and AGIs under the ICR plan. The first chart is for a single borrower who has a family size

of one. The second chart is for a borrower who is married or a head of household and who has a family size of three. The calculations in Attachment 3 assume that the loan debt has an interest rate of 6 percent. For the married borrower, the calculations assume that the borrower files a joint Federal income tax return and that the borrower's spouse does not have Federal student loans.

SAMPLE FIRST-YEAR MONTHLY REPAYMENT AMOUNTS FOR A SINGLE BORROWER

Family size = 1					
Initial debt	AGI				
	$20,000	$40,000	$60,000	$80,000	$100,000
20,000	73	152	186	196	222
40,000	73	305	371	393	445
60,000	73	406	557	589	667
80,000	73	406	739	785	889
100,000	73	406	739	982	1,112

SAMPLE FIRST-YEAR MONTHLY REPAYMENT AMOUNTS FOR A MARRIED OR HEAD-OF-HOUSEHOLD BORROWER

Family size = 3					
Initial debt	AGI				
	$20,000	$40,000	$60,000	$80,000	$100,000
20,000	0	144	185	196	214
40,000	0	223	369	392	428
60,000	0	223	554	588	643
80,000	0	223	556	784	857
100,000	0	223	556	889	1,071

[FR Doc. 2025–14806 Filed 8–4–25; 8:45 am]

BILLING CODE 4000–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. EL25–101–000]

Potomac Energy Center, LLC; Notice of Institution of Section 206 Proceeding and Refund Effective Date

On July 31, 2025, the Commission issued an order in Docket No. EL25–101–000 pursuant to section 206 of the Federal Power Act (FPA), 16 U.S.C. 824e, instituting an investigation to determine whether Potomac Energy Center, LLC's Rate Schedule is unjust, unreasonable, unduly discriminatory or preferential, or otherwise unlawful. *Potomac Energy Center, LLC,* 192 FERC ¶ 61,090 (2025).

The refund effective date in Docket No. EL25–101–000, established pursuant to section 206(b) of the FPA, will be the date of publication of this notice in the **Federal Register**.

Any interested person desiring to be heard in Docket No. EL25–101–000 must file a notice of intervention or motion to intervene, as appropriate, with the Federal Energy Regulatory Commission, in accordance with Rule 214 of the Commission's Rules of Practice and Procedure, 18 CFR 385.214 (2024), within 21 days of the date of issuance of the order.

In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the internet through the Commission's Home Page (*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. From FERC's Home Page on the internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field. User assistance is available for eLibrary and the FERC's website during normal business hours from FERC Online Support at 202–502–6652 (toll free at 1–866–208–3676) or email at *ferconlinesupport@ferc.gov,* or the Public Reference Room at (202) 502–8371, TTY (202) 502–8659. Email the Public Reference Room at *public.referenceroom@ferc.gov.*

The Commission strongly encourages electronic filings of comments, protests and interventions in lieu of paper using the ''eFile'' link at *http://www.ferc.gov.* 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 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 31, 2025.

Debbie-Anne A. Reese,

Secretary.

[FR Doc. 2025–14839 Filed 8–4–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 175–032]

Pacific Gas and Electric Company; Notice of Intent To Prepare an Environmental Assessment

On April 18, 2024, Pacific Gas and Electric Company (PG&E) filed an application to relicense the 131.52-megawatt Balch Hydroelectric Project No. 175–032. The project is located on the North Fork Kings River in Fresno County, California, approximately 45 miles northeast of the City of Fresno.

In accordance with the Commission's regulations, on May 15, 2025, Commission staff issued a notice that the project was ready for environmental analysis (REA notice). Based on the information in the record, including comments filed on the REA Notice, staff does not anticipate that licensing the project would constitute a major federal action significantly affecting the quality of the human environment. Therefore, staff intends to prepare an environmental assessment (EA) on the application to relicense the project.[1]

The EA will be issued and circulated for review by all interested parties. All comments filed on the EA will be analyzed by staff and considered in the Commission's final licensing decision.

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 to 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.*

The application will be processed according to the following schedule. The EA will be issued for a 30-day comment period. Revisions to the schedule may be made as appropriate.

Milestone	Target date
Commission issues EA	July 28, 2026.

Any questions regarding this notice may be directed to Benjamin Mann at 202–502–8027 or *benjamin.mann@ferc.gov.*

[1] The unique identification number for documents relating to this environmental review is EAXX–019–20–000–1753881685.

Dated: July 31, 2025.

Debbie-Anne A. Reese,

Secretary.

[FR Doc. 2025–14840 Filed 8–4–25; 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 electric corporate filings:

Docket Numbers: EC25–121–000.

Applicants: Guernsey Power Station LLC, Talen Generation, LLC.

Description: Joint Application for Authorization Under Section 203 of the Federal Power Act of Guernsey Power Station LLC, et al.

Filed Date: 7/30/25.

Accession Number: 20250730–5221.

Comment Date: 5 p.m. ET 9/15/25.

Take notice that the Commission received the following exempt wholesale generator filings:

Docket Numbers: EG25–422–000.

Applicants: Hashknife Energy Center LLC.

Description: Hashknife Energy Center LLC submits Notice of Self-Certification of Exempt Wholesale Generator Status.

Filed Date: 7/30/25.

Accession Number: 20250730–5149.

Comment Date: 5 p.m. ET 8/20/25.

Docket Numbers: EG25–423–000.

Applicants: Arlington Valley Solar Energy, LLC.

Description: Arlington Valley Solar Energy, LLC submits Notice of Self-Certification of Exempt Wholesale Generator Status.

Filed Date: 7/31/25.

Accession Number: 20250731–5052.

Comment Date: 5 p.m. ET 8/21/25.

Take notice that the Commission received the following complaints and compliance filings in EL Dockets:

Docket Numbers: EL25–109–000.

Applicants: North Dakota Public Service Commission, et al. v. Midcontinent Independent System Operator, Inc.

Description: Complaint of North Dakota Public Service Commission, et al. v. Midcontinent Independent System Operator, Inc.

Filed Date: 7/30/25.

Accession Number: 20250730–5091.

Comment Date: 5 p.m. ET 8/19/25.

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER10–2290–000.

Applicants: Avista Corporation.

Description: Supplement to 06/30/2025, Triennial Market Power Analysis for Northwest Region of Avista Corporation.

Filed Date: 7/28/25.

Accession Number: 20250728–5176.

Comment Date: 5 p.m. ET 8/18/25.

Docket Numbers: ER11–3377–016.

Applicants: Horseshoe Bend Wind, LLC.

Description: Market: Updated Market Power Analysis, Notice of Change in Status & Revised MBR Tariff to be effective 8/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5183.

Comment Date: 5 p.m. ET 9/29/25.

Docket Numbers: ER24–1390–001.

Applicants: Five Elements Energy II LLC.

Description: Compliance filing: Compliance to 1 to be effective 9/30/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5104.

Comment Date: 5 p.m. ET 8/21/25.

Docket Numbers: ER25–3034–000.

Applicants: Portland General Electric Company.

Description: 205(d) Rate Filing: PGE-PacifiCorp Cost Reimbursement Agreement to be effective 9/28/2025.

Filed Date: 7/30/25.

Accession Number: 20250730–5144.

Comment Date: 5 p.m. ET 8/20/25.

Docket Numbers: ER25–3035–000.

Applicants: Pacific Gas and Electric Company.

Description: 205(d) Rate Filing: WDT SA 275: City and County of San Francisco Q2 2025 Filing to be effective 6/30/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5001.

Comment Date: 5 p.m. ET 8/21/25.

Docket Numbers: ER25–3036–000.

Applicants: PPL Electric Utilities Corporation.

Description: 205(d) Rate Filing: PPL submits IA–SA No. 7675 to be effective 9/29/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5029.

Comment Date: 5 p.m. ET 8/21/25.

Docket Numbers: ER25–3037–000.

Applicants: Mid-Atlantic Interstate Transmission, LLC.

Description: 205(d) Rate Filing: MAIT submits IA–SA No. 6647 to be effective 9/29/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5030.

Comment Date: 5 p.m. ET 8/21/25.

Docket Numbers: ER25–3038–000.

Applicants: Midcontinent Independent System Operator, Inc., ALLETE, Inc.

Description: 205(d) Rate Filing: ALLETE, Inc. submits tariff filing per 35.13(a)(2)(iii): 2025–07–31_SA 4542 Minnesota Power—ALLETE Enterprises E&P (J2097) to be effective 7/16/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5036.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3039–000.
Applicants: AL Solar G, LLC.
Description: 205(d) Rate Filing: AL Solar G Initial MBR Application Filing to be effective 8/15/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5066.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3040–000.
Applicants: AEP Texas Inc.
Description: 205(d) Rate Filing: AEPTX—Midnight Sun Energy Storage Generation Interconnection Agreement to be effective 7/14/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5069.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3041–000.
Applicants: AEP Texas Inc.
Description: 205(d) Rate Filing: AEPTX—Rutile BESS Generation Interconnection Agreement to be effective 7/17/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5070.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3042–000.
Applicants: Midcontinent Independent System Operator, Inc.
Description: 205(d) Rate Filing: 2025–07–31_Filing to Reconcile the Tariff to be effective 9/30/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5071.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3043–000.
Applicants: Midcontinent Independent System Operator, Inc.
Description: 205(d) Rate Filing: 2025–07–31_SA 3639 Termination of ITC Midwest—Elk Creek Solar E&P (J1164) to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5073.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3044–000.
Applicants: Midcontinent Independent System Operator, Inc., American Transmission Company LLC.
Description: 205(d) Rate Filing: American Transmission Company LLC submits tariff filing per 35.13(a)(2)(iii): 2025–07–31_SA 4540 ATCLLC—MBLP CFA to be effective 9/30/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5075.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3045–000.
Applicants: Energy Center Paxton LLC.
Description: Compliance filing: Market-Based Rate Tariff Revisions to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5076.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3046–000.
Applicants: Three Rivers District Energy, LLC.
Description: Compliance filing: Market-Based Rate Tariff Revisions to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5077.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3048–000.
Applicants: RB Inyokern Solar WDAT 1281 LLC.
Description: 205(d) Rate Filing: RB Inyokern Solar WDAT 1281 LLC Revised MBR Tariff to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5088.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3049–000.
Applicants: RB Inyokern Solar WDAT 1203 LLC.
Description: 205(d) Rate Filing: RB Inyokern Solar WDAT 1203 LLC Revised MBR Tariff to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5089.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3050–000.
Applicants: Ratts 1 Solar LLC.
Description: 205(d) Rate Filing: Ratts 1 Solar LLC Revised MBR Tariff to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5101.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3051–000.
Applicants: Ratts 1 Phase 2 Solar, LLC.
Description: 205(d) Rate Filing: Ratts 1 Phase 2 Solar LLC Revised MBR Tariff to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5103.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3052–000.
Applicants: NorthWestern Corporation.
Description: 205(d) Rate Filing: SA 682 2nd Rev—NITSA with Western Area Power Administration to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5119.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3053–000.
Applicants: PJM Interconnection, L.L.C.
Description: 205(d) Rate Filing: Original NSA, Service Agreement No. 7725; Queue Position No. AF1–325 to be effective 7/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5125.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3054–000.
Applicants: Crocker Wind Farm, LLC.
Description: Compliance filing: Revised Market-Based Rate Tariffs to Update Category Seller Status to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5138.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3055–000.
Applicants: Fillmore County Solar Project, LLC.
Description: Compliance filing: Revised Market-Based Rate Tariffs to Update Category Seller Status to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5140.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3056–000.
Applicants: NorthWestern Corporation.
Description: 205(d) Rate Filing: SA 902 First Revised—Montana State University NITSA_NOA to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5143.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3057–000.
Applicants: Geronimo Power Marketing, LLC.
Description: Compliance filing: Revised Market-Based Rate Tariffs to Update Category Seller Status to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5145.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3058–000.
Applicants: Louise Solar Project, LLC.
Description: Compliance filing: Revised Market-Based Rate Tariffs to Update Category Seller Status to be effective 8/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5150.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3059–000.
Applicants: Southwest Power Pool, Inc.
Description: 205(d) Rate Filing: 1910R28 Southwestern Public Service Company NITSA NOA to be effective 7/1/2025.
Filed Date: 7/31/25.
Accession Number: 20250731–5151.
Comment Date: 5 p.m. ET 8/21/25.
Docket Numbers: ER25–3060–000.
Applicants: Unbridled Solar, LLC.
Description: Compliance filing: Revised Market-Based Rate Tariffs to

Update Category Seller Status to be effective 8/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5155.

Comment Date: 5 p.m. ET 8/21/25.

Docket Numbers: ER25–3061–000.

Applicants: Duke Energy Progress, LLC.

Description: 205(d) Rate Filing: Updated Nuclear Decommissioning Expense—RS No. 381 to be effective 10/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5156.

Comment Date: 5 p.m. ET 8/21/25.

Docket Numbers: ER25–3062–000.

Applicants: Wild Springs Solar, LLC.

Description: Compliance filing: Revised Market-Based Rate Tariffs to Update Category Seller Status to be effective 8/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5160.

Comment Date: 5 p.m. ET 8/21/25.

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 31, 2025.

Debbie-Anne A. Reese,

Secretary.

[FR Doc. 2025–14834 Filed 8–4–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. DI24–5–000]

Paradigm Shift Hydro, LLC; 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:* DI24–5–000.

c. *Date Filed:* December 5, 2023.

d. *Applicant:* Paradigm Shift Hydro, LLC.

e. *Name of Project:* Three Sisters Energy Project.

f. *Location:* The proposed Three Sisters Energy Project would be located near the town of Buckley in Pierce County, Washington.

g. *Filed Pursuant to:* Section 23(b)(1) of the Federal Power Act, 16 U.S.C. 817(b).

h. *Applicant Contact:* Jonathan Petrillo, 270 Bellevue Avenue, PMB #1053, Newport, RI 02840; telephone: (203) 623–4637; email: *jon@paradigmshifthydro.com.*

i. *FERC Contact:* Maryam Akhavan, (202) 502–6110, or *Maryam.Akhavan@ferc.gov.*

j. Deadline for filing comments, protests, and motions to intervene is: September 2, 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 DI24–5–000. Comments emailed to Commission staff are not considered part of the Commission record.

k. *Description of Project:* The proposed Three Sisters Energy Project is a closed-loop pumped storage hydropower facility that would consist of: (1) an upper reservoir covering 25 acres, with a maximum storage capacity of 1,780 acre-feet at a full pool elevation of 3,600 feet above mean sea level; (2) a lower reservoir covering 20 acres, with a maximum storage capacity of 1,970 acre-feet at a full pool elevation of 1,500 feet above mean sea level; (3) two steel penstocks, each 4-mile-long and 10-foot-diameter; (4) an approximately 100-foot-wide, 150-foot-long, and 75-foot-tall reinforced concrete and steel powerhouse; (5) three turbines, each with a generating capacity of approximately 88.3 megawatts (MW); (6) a system of industrial pumps to transfer water from the lower to upper reservoir; (7) a 1.75-mile-long overhead transmission line interconnecting with the existing Bonneville Power Administration transmission system; (8) an approximately 1.75-mile-long access road; and (9) appurtenant facilities. The applicant indicates that it would develop water supply wells tapping into known confined aquifers in the area and use the groundwater for the initial fill and make-up water needs.

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 31, 2025.

Debbie-Anne A. Reese,

Secretary.

[FR Doc. 2025–14838 Filed 8–4–25; 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: PR25–61–000.

Applicants: Southern California Gas Company.

Description: 284.123 Rate Filing: Offshore Delivery Service Rate Revision July 2025 to be effective 7/1/2025.

Filed Date: 7/30/25.

Accession Number: 20250730–5107.

Comment Date: 5 p.m. ET 8/20/25.

Docket Numbers: PR25–62–000.

Applicants: Atmos Pipeline—Texas.

Description: 284.123(g) Rate Filing: Revised Statement of Operating Conditions to be effective 7/30/2025.

Filed Date: 7/30/25.

Accession Number: 20250730–5112.

Comment Date: 5 p.m. ET 8/20/25.

284.123(g) Protest: 5 p.m. ET 9/29/25.

Docket Numbers: RP25–1026–000.

Applicants: El Paso Natural Gas Company, L.L.C.

Description: 4(d) Rate Filing: Negotiated Rate Agreements Update (Sempra Aug 2025) to be effective 8/1/2025.

Filed Date: 7/30/25.

Accession Number: 20250730–5157.

Comment Date: 5 p.m. ET 8/11/25.

Docket Numbers: RP25–1027–000.

Applicants: Midcontinent Express Pipeline LLC.

Description: 4(d) Rate Filing: MEP July 2025 NRA Filing to be effective 8/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5031.

Comment Date: 5 p.m. ET 8/12/25.

Docket Numbers: RP25–1028–000.

Applicants: Ruby Pipeline, L.L.C.

Description: 4(d) Rate Filing: RP 2025–07–31 FL&U and EPC Rate Adjustment to be effective 9/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5035.

Comment Date: 5 p.m. ET 8/12/25.

Docket Numbers: RP25–1029–000.

Applicants: Columbia Gulf Transmission, LLC.

Description: 4(d) Rate Filing: NC/NR Clean-Up to be effective 9/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5047.

Comment Date: 5 p.m. ET 8/12/25.

Docket Numbers: RP25–1030–000.

Applicants: El Paso Natural Gas Company, L.L.C.

Description: 4(d) Rate Filing: Negotiated Rate Agreement Update (EOG Aug–Oct 2025) to be effective 8/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5053.

Comment Date: 5 p.m. ET 8/12/25.

Docket Numbers: RP25–1031–000.

Applicants: Northern Natural Gas Company.

Description: 4(d) Rate Filing: 20250731 Negotiated Rate to be effective 8/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5056.

Comment Date: 5 p.m. ET 8/12/25.

Docket Numbers: RP25–1032–000.

Applicants: El Paso Natural Gas Company, L.L.C.

Description: 4(d) Rate Filing: Negotiated Rate Agreement Update (Hartree Aug 25) to be effective 8/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5057.

Comment Date: 5 p.m. ET 8/12/25.

Docket Numbers: RP25–1033–000.

Applicants: Algonquin Gas Transmission, LLC.

Description: 4(d) Rate Filing: Negotiated Rates—Various Releases eff 8–1–2025 to be effective 8/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5061.

Comment Date: 5 p.m. ET 8/12/25.

Docket Numbers: RP25–1034–000.

Applicants: NEXUS Gas Transmission, LLC.

Description: 4(d) Rate Filing: Negotiated Rates—Various Releases eff 8–1–2025 to be effective 8/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5063.

Comment Date: 5 p.m. ET 8/12/25.

Docket Numbers: RP25–1035–000.

Applicants: Columbia Gas Transmission, LLC.

Description: 4(d) Rate Filing: EPE Neg Rate Agmt Mountaineer Gas 261421, Eff. 8.1.25 to be effective 8/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5067.

Comment Date: 5 p.m. ET 8/12/25.

Docket Numbers: RP25–1036–000.

Applicants: Alliance Pipeline L.P.

Description: 4(d) Rate Filing: Negotiated Rates—Releases 08–01–2025 to be effective 8/1/2025.

Filed Date: 7/31/25.

Accession Number: 20250731–5084.

Comment Date: 5 p.m. ET 8/12/25.

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/fercgensearch.asp*) by querying the docket number.

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 31, 2025.

Debbie-Anne A. Reese,

Secretary.

[FR Doc. 2025–14835 Filed 8–4–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP16–116–000]

Texas LNG Brownsville LLC; Notice of Availability of the Final Supplemental Environmental Impact Statement for the Proposed Texas LNG Project

The staff of the Federal Energy Regulatory Commission (FERC or Commission) has prepared a final supplemental environmental impact statement (EIS) to address the August 6, 2024 Opinion issued by the U.S. Court of Appeals for the District of Columbia Circuit (court) regarding the Commission's environmental review of the Texas LNG Project proposed by Texas LNG Brownsville LLC. [1] [2] The court remanded the Commission's April 21, 2023 *Order on Remand* that approved the liquefied natural gas (LNG) terminal. The court found that FERC failed to issue a supplemental EIS consistent with the National Environmental Policy Act to discuss impacts on communities with environmental justice concerns and address why the Commission did not use data from a particular air quality monitor in the air analysis. As part of the Commission's consideration of the proposed project on remand, we [3] prepared this final supplemental EIS to assess the issues remanded by the court.

The Commission mailed a copy of the *Notice of Availability* of the final supplemental EIS to federal, state, and local government representatives and agencies; elected officials; environmental and public interest groups; Native American Tribes; potentially affected landowners and other interested individuals and groups; and newspapers and libraries in the project area. The final supplemental EIS is only available in electronic format. It may be viewed and downloaded from the FERC's website (*www.ferc.gov*), on the natural gas environmental documents page (*https://www.ferc.gov/industries-data/natural-gas/enviroment/environmental documents*). In addition, the final supplemental EIS may be accessed by using the eLibrary link on the FERC's website. Click on the eLibrary link (*https://www.ferc.gov/eLibrary/search*), select ''General Search'' and enter the docket number in the ''Docket Number'' field, excluding the last three digits (*i.e.,* CP16–116). Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at *FercOnlineSupport@ferc.gov* or toll free at (866) 208–3676, or for TTY, contact (202) 502–8659.

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. The eLibrary link also provides access to the texts of all formal documents issued by the Commission, such as orders, notices, and rulemakings.

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.*

In addition, the Commission offers a free service called eSubscription that allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. Go to *http://www.ferc.gov/ferc-online/o*verview to register for eSubscription.

Dated: July 31, 2025.

Debbie-Anne A. Reese,

Secretary.

[FR Doc. 2025–14836 Filed 8–4–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP16–454–000; Docket No. CP16–455–000; Docket No. CP20–481–000]

Rio Grande LNG, LLC; Rio Bravo Pipeline Company, LLC; Notice of Availability of the Final Supplemental Environmental Impact Statement for the Proposed Rio Grande LNG Terminal and Rio Bravo Pipeline Project

The staff of the Federal Energy Regulatory Commission (FERC or Commission) has prepared a final supplemental environmental impact statement (EIS) to address the August 6, 2024 opinion issued by the U.S. Court of Appeals for the District of Columbia Circuit (court) regarding the Commission's environmental review of the Rio Grande LNG Terminal and Rio Bravo Pipeline Project proposed by Rio Grande LNG, LLC and Rio Bravo Pipeline Company, LLC, respectively.[1] [2] The court remanded the Commission's April 21, 2023 *Order on Remand and Amending Section 7 Certificate* that approved the liquefied natural gas (LNG) terminal and pipeline project. The court found that FERC failed to issue a supplemental EIS consistent with the National Environmental Policy Act to discuss impacts on communities with environmental justice concerns, address why the Commission did not use data from a particular air quality monitor in the air analysis, and address a carbon capture and sequestration proposal. As part of the Commission's consideration of the proposed projects

[1] *City of Port Isabel* v. *FERC,* 111 F.4th 1198 (D.C. Cir. 2024). On March 18, 2025, the court partially granted rehearing and remanded the case without vacatur.

[2] For tracking purposes under the National Environmental Policy Act, the unique identification number for documents relating to this environmental review is FERC/SEIS–019–20–000–1726224938.

[3] ''We,'' ''us,'' and ''our'' refer to the environmental and engineering staff of the FERC's Office of Energy Projects.

[1] For tracking purposes under the National Environmental Policy Act, the unique identification number for documents relating to this environmental review is FERC/SEIS–019–20–000–1726224918.

[2] *City of Port Isabel* v. *FERC,* 111 F.4th 1198 (D.C. Cir. 2024). On March 18, 2025, the court partially granted rehearing and remanded the case without vacatur [*City of Port Isabel* v. *FERC,* No. 23–1174 (D.C. Cir. Mar. 18, 2025)].

on remand, we [3] prepared this final supplemental EIS to assess the issues remanded by the court.

The Commission mailed a copy of the *Notice of Availability* of the final supplemental EIS to federal, state, and local government representatives and agencies; elected officials; environmental and public interest groups; Native American Tribes; potentially affected landowners and other interested individuals and groups; and newspapers and libraries in the project area. The final supplemental EIS is only available in electronic format. It may be viewed and downloaded from the FERC's website (*www.ferc.gov*), on the natural gas environmental documents page (*https://www.ferc.gov/industries-data/natural-gas/environment/environmental-documents*). In addition, the final supplemental EIS may be accessed by using the eLibrary link on the FERC's website. Click on the eLibrary link (*https://elibrary.ferc.gov/eLibrary/search*) select ''General Search'' and enter the docket number in the ''Docket Number'' field, excluding the last three digits (*i.e.,* CP16–454, CP16–455, or CP20–481). Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at *FercOnlineSupport@ferc.gov* or toll free at (866) 208–3676, or for TTY, contact (202) 502–8659.

Additional information about the projects is available from the Commission's Office of External Affairs, at (866) 208–FERC, or on the FERC website at *www.ferc.gov* using the eLibrary link. The eLibrary link also provides access to the texts of all formal documents issued by the Commission, such as orders, notices, and rulemakings.

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.*

In addition, the Commission offers a free service called eSubscription that allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notifications of these filings, document summaries, and direct links to the documents. Go to *https://www.ferc.gov/ferc-online/overview* to register for eSubscription.

Dated: July 31, 2025.

Debbie-Anne A. Reese,

Secretary.

[FR Doc. 2025–14837 Filed 8–4–25; 8:45 am]

BILLING CODE 6717–01–P

[3] ''We,'' ''us,'' and ''our'' refer to the environmental and engineering staff of the FERC's Office of Energy Projects.

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 2302–101]

Brookfield White Pine Hydro, LLC; Notice of Reasonable Period of Time for Water Quality Certification Application

On July 30, 2025, the Maine Department of Environmental Protection (Maine DEP) submitted to the Federal Energy Regulatory Commission (Commission) notice that it received a request for a Clean Water Act section 401(a)(1) water quality certification as defined in 40 CFR 121.5, from Brookfield White Pine Hydro, LLC, in conjunction with the above captioned project on July 9, 2025. Pursuant to the Commission's regulations,[1] we hereby notify the Maine DEP of the following:

Date of Receipt of the Certification Request: July 9, 2025.

Reasonable Period of Time To Act on the Certification Request: July 8, 2026.

If Maine DEP fails or refuses to act on the water quality certification request on or before the above date, then the certifying authority is deemed waived pursuant to section 401(a)(1) of the Clean Water Act, 33 U.S.C. 1341(a)(1).

Dated: July 31, 2025.

Debbie-Anne A. Reese,

Secretary.

[FR Doc. 2025–14841 Filed 8–4–25; 8:45 am]

BILLING CODE 6717–01–P

[1] 18 CFR 4.34(b)(5)(iii).

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OPP–2024–0093; FRL–12417–01–OCSPP]

Cancellation Order for Certain Pesticide Registrations and/or Amendments To Terminate Uses (From May 7, 2024 Notice)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: This notice announces EPA's order for the cancellations and/or amendments to terminate uses, voluntarily requested by the registrants and accepted by the Agency, pursuant to the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). This cancellation order follows a May 07, 2024, **Federal Register** Notice of Receipt of Requests from the registrants listed in Table 3 of Unit II, to voluntarily cancel and/or amend to terminate uses of these product registrations. In the May 07, 2024, notice, EPA indicated that it would issue an order implementing the cancellations and/or amendments to terminate uses, unless the Agency received substantive comments within the 180-day comment period that would merit its further review of these requests, or unless the registrants withdrew their requests. The Agency did not receive any comments on the notice. Further, the registrants did not withdraw their requests. Accordingly, EPA hereby issues in this notice a cancellation order granting the requested cancellations and/or amendments to terminate uses. Any distribution, sale, or use of the products subject to this cancellation order is permitted only in accordance with the terms of this order, including any existing stocks provisions.

DATES: The cancellations and/or amendments are effective August 5, 2025.

FOR FURTHER INFORMATION CONTACT: Christopher Green, Registration Division (7505T), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460–0001; telephone number: (202) 566–2707; email address: *green.christopher@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this action apply to me?

This action is directed to the public in general and may be of interest to a wide range of stakeholders including environmental, human health, and agricultural advocates; the chemical

industry; pesticide users; and members of the public interested in the sale, distribution, or use of pesticides. Since others also may be interested, the Agency has not attempted to describe all the specific entities that may be affected by this action.

B. How can I get copies of this document and other related information?

The docket for this action, identified by docket identification (ID) number EPA–HQ–OPP–2024–0093, is available at *https://www.regulations.gov* or at the Office of Pesticide Programs Regulatory Public Docket (OPP Docket) in the Environmental Protection Agency Docket Center (EPA/DC), West, William Jefferson Clinton Bldg., Rm. 3334, 1301 Constitution Ave. NW, Washington, DC 20460–0001. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566–1744 and the telephone number for the OPP Docket is (202) 566–1744. Please review the visitor instructions and additional information about the docket available at *https://www.epa.gov/dockets.*

II. What action is the Agency taking?

This notice announces the cancellations and/or amendments to terminate uses, as requested by registrants, of products registered under FIFRA section 3 (7 U.S.C. 136a). These registrations are listed in sequence by registration number in Tables 1 and 2 of this unit.

TABLE 1—PRODUCT CANCELLATIONS

Registration No.	Company No.	Product name	Active ingredients
44446–67	44446	Concept Hospital Disinfectant Deodorant	4-tert-Amylphenol (064101/80–46–6)—(.05%), Ethanol (001501/64–17–5)—(53%), o-Phenylphenol (NO INERT USE) (064103/90–43–7)—(.2%).
85588–13	85588	AgSurf MSM Herbicide	Metsulfuron (122010/74223–64–6)—(60%).

TABLE 2—PRODUCT REGISTRATION AMENDMENTS TO TERMINATE USES

Registration No.	Company No.	Product name	Active ingredient	Uses to be terminated
53883–197	53883	Lambda 0.5% Concentrate.	lambda-Cyhalothrin (128897/91465–08–6)—(.5%).	Lawn & turf use in residential settings.

Table 3 of this unit includes the names and addresses of record for all registrants of the products in Tables 1 and 2 of this unit, in sequence by EPA company number. This number corresponds to the first part of the EPA registration numbers of the products listed above.

TABLE 3—REGISTRANTS OF CANCELLED AND/OR AMENDED PRODUCTS

EPA Company No.	Company name and address
44446	QuestSpecialty Corporation, P.O. Box: 624, Brenham, TX 77834.
53883	Control Solutions, Inc., 5903 Genoa Red Bluff Road, Pasadena, TX 77507.
85588	AgSurf Corporation, 9805 Statesville Road, Suite 6309, Charlotte, NC 28269.

III. Summary of Public Comments Received and Agency Response to Comments

During the public comment period provided, EPA received no comments in response to the May 07, 2024, **Federal Register** notice announcing the Agency's receipt of the requests for voluntary cancellations and/or amendments to terminate uses of products listed in Tables 1 and 2 of Unit II.

IV. Cancellation Order

Pursuant to FIFRA section 6(f) (7 U.S.C. 136d(f)(1)), EPA hereby approves the requested cancellations and/or amendments to terminate uses of registrations identified in Tables 1 and 2 of Unit II. Accordingly, the Agency hereby orders that the product registrations identified in Tables 1 and 2 of Unit II, are canceled and/or amended to terminate the affected uses. The effective date of the cancellations that are subject of this notice is August 5, 2025. Any distribution, sale, or use of existing stocks of the products identified in Tables 1 and 2 of Unit II, in a manner inconsistent with any of the provisions for disposition of existing stocks set forth in Unit VI, will be a violation of FIFRA.

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

Section 6(f)(1) of FIFRA (7 U.S.C. 136d(f)(1)) provides that a registrant of a pesticide product may at any time request that any of its pesticide registrations be canceled or amended to terminate one or more uses. FIFRA further provides that, before acting on the request, EPA must publish a notice of receipt of any such request in the **Federal Register**. Thereafter, following the public comment period, the EPA Administrator may approve such a request. The notice of receipt for this action was published for comment in the **Federal Register** of May 07, 2024 (89 FR 38129) (FRL–11876–01–OCSPP). The comment period closed on November 04, 2024.

VI. Provisions for Disposition of Existing Stocks

Existing stocks are those stocks of registered pesticide products which are currently in the United States, and which were packaged, labeled, and released for shipment prior to the effective date of the action. The existing stocks provision for the products subject to this order is as follows.

For: 85588–13:

For *85588–13,* AgSurf Corporation, the registrant of the product subject to this cancellation notice, requested an existing stocks provision allowing the continued sale and distribution of the affected product until 18 months after the cancellation is published in the **Federal Register**. Thereafter, the registrant is prohibited from selling or distributing this product, except for export in accordance with FIFRA section 17 (7 U.S.C. 136o) or for proper disposal.

For all other voluntary cancellations, the registrants may continue to sell and distribute existing stocks of products listed in Table 1 until August 5, 2026, which is 1 year after publication of this cancellation order in the **Federal Register**. Thereafter, the registrants are prohibited from selling or distributing products listed in Table 1 of Unit II, except for export in accordance with FIFRA section 17 (7 U.S.C. 136o) or for proper disposal.

Now that EPA has approved product labels reflecting the requested amendments to terminate uses, registrants are permitted to sell or distribute products listed in Table 2 of Unit II, under the previously approved labeling until February 5, 2027, a period of 18 months after publication of the cancellation order in this **Federal Register**, unless other restrictions have been imposed. Thereafter, registrants will be prohibited from selling or distributing the products whose labels include the terminated uses identified in Table 2 of Unit II, except for export consistent with FIFRA section 17 or for proper disposal.

Persons other than the registrant may sell, distribute, or use existing stocks of canceled products and/or products whose labels include the terminated uses until supplies are exhausted, provided that such sale, distribution, or use is consistent with the terms of the previously approved labeling on, or that accompanied, the canceled products and/or terminated uses.

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

Dated: July 31, 2025.

Charles Smith,

Director, Registration Division, Office of Pesticide Programs.

[FR Doc. 2025–14823 Filed 8–4–25; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OPP–2024–0093; FRL–12578–01–OCSPP]

Cancellation Order for Certain Pesticide Registrations and/or Amendments To Terminate Uses (From December 18, 2024 Notice)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: This notice announces EPA's order for the cancellations and/or amendments to terminate uses, voluntarily requested by the registrants and accepted by the Agency, pursuant to the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). This cancellation order follows a December 18, 2024, **Federal Register** Notice of Receipt of Requests from the registrants listed in Table 3 of Unit II to voluntarily cancel and/or amend to terminate uses of all these product registrations. In the December 18, 2024, notice, EPA indicated that it would issue an order implementing the cancellations and/or amendments to terminate uses, unless the Agency received substantive comments within the 30-day comment period that would merit its further review of these requests, or unless the registrants withdrew their requests. The Agency did not receive any comments on the notice. Further, the registrants did not withdraw their requests. Accordingly, EPA hereby issues in this notice a cancellation order granting the requested cancellations and/or amendments to terminate uses. Any distribution, sale, or use of the products subject to this cancellation order is permitted only in accordance with the terms of this order, including any existing stocks provisions.

DATES: The cancellations and/or amendments are effective August 5, 2025.

FOR FURTHER INFORMATION CONTACT: Christopher Green, Registration Division (7505T), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460–0001; telephone number: (202) 566–2707; email address: *green.christopher@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this action apply to me?

This action is directed to the public in general and may be of interest to a wide range of stakeholders including environmental, human health, and agricultural advocates; the chemical industry; pesticide users; and members of the public interested in the sale, distribution, or use of pesticides. Since others also may be interested, the Agency has not attempted to describe all the specific entities that may be affected by this action.

B. How can I get copies of this document and other related information?

The docket for this action, identified by docket identification (ID) number EPA–HQ–OPP–2024–0093, is available at *http://www.regulations.gov* or at the Office of Pesticide Programs Regulatory Public Docket (OPP Docket) in the Environmental Protection Agency Docket Center (EPA/DC), West William Jefferson Clinton Bldg., Rm. 3334, 1301 Constitution Ave. NW, Washington, DC 20460–0001. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566–1744, and the telephone number for the OPP Docket is (202) 566–1744. Please review the visitor instructions and additional information about the docket available at *https://www.epa.gov/dockets.*

II. What action is the Agency taking?

This notice announces the cancellations and/or amendments to terminate uses, as requested by registrants, of products registered under FIFRA section 3 (7 U.S.C. 136a). These registrations are listed in sequence by registration number in Tables 1 and 2 of this unit.

TABLE 1—PRODUCT CANCELLATIONS

Registration No.	Company No.	Product name	Active ingredients
279–9546	279	F6119 Turf and IVM Herbicide	2,4-D, 2-ethylhexyl ester (030063/1928–43–4)—(65.52%), Carfentrazone-ethyl (128712/128639–02–1)—(1.44%).
7401–38	7401	Ferti-Lome Liquid Carbaryl Home Garden Spray.	Carbaryl (056801/63–25–2)—(23.7%).
7401–69	7401	Ferti Lome Garden Dust	Carbaryl (056801/63–25–2)—(5%).
7401–166	7401	Hi-Yield 10% Carbaryl Garden Dust.	Carbaryl (056801/63–25–2)—(10%).
8378–10	8378	Shaw's Crabgrass Control and Fertilizer.	Benfluralin (084301/1861–40–1)—(1.15%).
8378–11	8378	Shaw's Professional Crabgrass Control and Fertilizer.	Benfluralin (084301/1861–40–1)—(.92%).

TABLE 1—PRODUCT CANCELLATIONS—Continued

Registration No.	Company No.	Product name	Active ingredients
8378–31	8378	Shaw's Sevin 430 Turf Insect Granules + Fertilizer.	Carbaryl (056801/63–25–2)—(4.3%).
8378–35	8378	Balan 2.5G	Benfluralin (084301/1861–40–1)—(2.5%).
8378–36	8378	Shaw's Sevin 143 Turf Insect Granules + Fertilizer.	Carbaryl (056801/63–25–2)—(1.43%).
9198–234	9198	The Andersons Bicarb Lawn Insect Killer Granules.	Bifenthrin (128825/82657–04–3)—(.058%), Carbaryl (056801/63–25–2)—(2.3%).
70804–1	70804	UltraFloc AlgaeSolve II	Copper sulfate pentahydrate (024401/7758–99–8)—(25%).
94278–4	94278	Ethephon 75% MUP	Ethephon (099801/16672–87–0)—(75%).
PA–160001	56228	Gonacon—Equine	Gonadotropin Releasing Hormone (116800/9034–40–6)—(.032%).
TX–090006	59639	Esteem Ant Bait	Pyriproxyfen (129032/95737–68–1)—(.5%).
WA–070007	62719	DMA 4 IVM	2,4-D, dimethylamine salt (030019/2008–39–1)—(46.3%).
WA–080009	70506	Ethephon 2	Ethephon (099801/16672–87–0)—(21.7%).
WA–200004	68506	UVASYS	Sodium metabisulfite (111409/7681–57–4)—(36.5%).

TABLE 2—PRODUCT REGISTRATION AMENDMENTS TO TERMINATE USES

Registration No.	Company No.	Product name	Active ingredient	Uses to be terminated
42750–400	42750	Albaugh Thiamethoxam Technical.	Thiamethoxam (060109/153719–23–4)—(98.5%)	Non-seed treatment uses.
61842–27	61842	Sinbar WDG Agricultural Herbicide.	Terbacil (012701/5902–51–2)—(80%)	Grass seed crops and pears.
74712–5	74712	Avancid GL 45M	Glutaraldehyde (043901/111–30–8)—(45%)	Beet sugar mills and beet sugar mills process water systems. Paper mills and paper mills process water systems. Pigments and filler slurries for food contact paper and paperboard. Water based coatings for food contact paper and paperboard. Aqueous metalworking fluids. Animal production facilities and farm equipment.
74712–6	74712	Avancid GL 25	Glutaraldehyde (043901/111–30–8)—(25%)	Dairy sweet water systems. Hydrostatic sterilizers and retorts. Pasteurizers and warmers. Beet sugar mills and beet sugar mills process water system. Paper mills and paper mills process water systems. Pigments and filler slurries for food contact paper and paperboard. Water based coatings for food contact paper and paperboard. Aqueous metalworking fluids. In-can preservative for food contact adhesives and mineral slurries used in papermaking.
74712–7	74712	Avancid GL 45	Glutaraldehyde (043901/111–30–8)—(45%)	Dairy sweet water systems. Hydrostatic sterilizers and retorts. Pasteurizers and warmers. Beet sugar mills and beet sugar mills process water systems. Paper mills and paper mills process water systems. Pigments and filler slurries for food contact paper and paperboard. Water based coatings for food contact paper and paperboard. Aqueous metalworking fluids. In-can preservative for food contact adhesives and mineral slurries used in papermaking.

TABLE 2—PRODUCT REGISTRATION AMENDMENTS TO TERMINATE USES—Continued

Registration No.	Company No.	Product name	Active ingredient	Uses to be terminated
74712–8	74712	Avancid GL 50M	Glutaraldehyde (043901/111–30–8)—(50%)	Beet sugar mills and beet sugar mills process water systems. Paper mills and paper mills process water systems. Pigments and filler slurries for food contact paper and paperboard. Water bases coatings for food contact paper and paperboard. Aqueous metalworking fluids. Animal production facilities and farm equipment.
74712–9	74712	Avancid GL 50	Glutaraldehyde (043901/111–30–8)—(50%)	Dairy sweet water systems. Hydrostatic sterilizers and retorts. Pasteurizers and warmers. Beet sugar mills and beet sugar mills process water systems. Paper mills and paper mills process water systems. Pigments and filler slurries for food contact paper and paperboard. Water based coatings for food contact paper and paperboard. Aqueous metalworking fluids. In-can preservative for food contact adhesives and mineral slurries used in papermaking.
74712–10	74712	Avancid GL 15	Glutaraldehyde (043901/111–30–8)—(15%)	Dairy sweet water systems. Hydrostatic sterilizers and retorts Pasteurizers and warmers. Beet sugar mills and beet sugar mills process water systems. Paper mills and paper mills process water systems. Pigments and filler slurries for food contact paper and paperboard. Water based coatings for food contact paper and paperboard. Aqueous metalworking fluids. In-can preservative for food contact adhesives and mineral slurries used in papermaking.
87811–1	87811	Willowood Tebuconazole Technical.	Tebuconazole (128997/107534–96–3)—(98.5%)	Wood protection uses.
101563–130	101563	Spirotetramat 240 SC Greenhouse and Nursery Insecticide/Miticide.	Spirotetramat (392201/203313–25–1)—(22.4%)	All crop uses, non-bearing fruit and nut trees, and vegetable plants.

Table 3 of this unit includes the names and addresses of record for all registrants of the products in Tables 1 and 2 of this unit, in sequence by EPA company number. This number corresponds to the first part of the EPA registration numbers of the products listed above.

TABLE 3—REGISTRANTS OF CANCELLED AND/OR AMENDED PRODUCTS

EPA Company Number	Company Name and Address
279	FMC Corporation, 2929 Walnut Street, Philadelphia, PA 19104.
7401	Voluntary Purchasing Groups, Inc., Agent Name: Pyxis Regulatory Consulting, Inc., 4110 136th Street Ct., NW, Gig Harbor, WA 98332.
8378	Knox Fertilizer Company, Inc., Agent Name: Wagner Regulator Associates, P.O. Box: 640, Hockessin, DE 19707–0640.
9198	The Andersons, Inc., 1947 Briarfield Blvd., P.O. Box: 119, Maumee, OH 43537.
42750	Albaugh, LLC, 1525 NE 36th Street, Ankeny, IA 50021.

TABLE 3—REGISTRANTS OF CANCELLED AND/OR AMENDED PRODUCTS—Continued

EPA Company Number	Company Name and Address
56228	U.S. Department of Agriculture, Animal and Plant Health Inspection Service, 4700 River Road, Unit 149,Riverdale, MD 20737.
59639	Valent U.S.A., LLC, 4600 Norris Canyon Road, P.O. Box: 5075, San Ramon, CA 94583.
61842	Tessenderlo Kerley, Inc., Agent Name: Pyxis Regulatory Consulting, Inc., 4110 136th Street Ct., NW, Gig Harbor, WA 98332.
62719	Corteva Agriscience, LLC, 9330 Zionsville Road, Indianapolis, IN 46268.
68506	Tessara (Pty) Ltd., Agent Name: Pyxis Regulatory Consulting, Inc., 4110 136th Street Ct., NW, Gig Harbor, WA 98332.
70506	Arysta LifeScience North America, LLC, Agent Name: UPL NA, Inc.,630 Freedom Business Center, Suite 402, King of Prussia, PA 19406.
70804	USALCO, LLC, 2601 Cannery Avenue, Baltimore, MD 21226.
74712	Special Materials Company, Agent Name: Toxcel, LLC, 7140 Heritage Village Plaza, Gainesville, VA 20155.
87811	Willowood Tebuconazole, LLC, Division Name: C/O Generic Crop Science, LLC, 1887 Whitney Mesa Drive, #9740, Henderson, NV 89014–2069.
94278	Oasis Chemicals, LLC, 4511 11th Street, Lubbock, TX 79416.
101563	Environmental Science U.S., LLC, 5000 Centregreen Way, Suite 400, Cary, NC 27513.

III. Summary of Public Comments Received and Agency Response to Comments

During the public comment period provided, EPA received no comments in response to the December 18, 2024, **Federal Register** notice announcing the Agency's receipt of the requests for voluntary cancellations and/or amendments to terminate uses of products listed in Tables 1 and 2 of Unit II.

IV. Cancellation Order

Pursuant to FIFRA section 6(f) (7 U.S.C. 136d(f)(1)), EPA hereby approves the requested cancellations and/or amendments to terminate uses of pesticide registrations identified in Tables 1 and 2 of Unit II. Accordingly, the Agency hereby orders that the product registrations identified in Tables 1 and 2 of Unit II, are canceled and/or amended to terminate the affected uses. The effective date of the cancellations that are subject of this notice is August 5, 2025. Any distribution, sale, or use of existing stocks of the products identified in Tables 1 and 2 of Unit II, in a manner inconsistent with any of the provisions for disposition of existing stocks set forth in Unit VI, will be a violation of FIFRA.

V. What is the agency's authority for taking this action?

Section 6(f)(1) of FIFRA (7 U.S.C. 136d(f)(1)) provides that a registrant of a pesticide product may at any time request that any of its pesticide registrations be canceled or amended to terminate one or more uses. FIFRA further provides that, before acting on the request, EPA must publish a notice of receipt of any such request in the **Federal Register**. Thereafter, following the public comment period, the EPA Administrator may approve such a request. The notice of receipt for this action was published for comment in the **Federal Register** of December 18, 2024, (89 FR 102888) (FRL–12084–01–OCSPP). The comment period closed on January 17, 2025.

VI. Provisions for Disposition of Existing Stocks

Existing stocks are those stocks of registered pesticide products which are currently in the United States, and which were packaged, labeled, and released for shipment prior to the effective date of the action. The existing stocks provision for the products subject to this order is as follows.

For voluntary cancellations, the registrants may continue to sell and distribute existing stocks of products listed in Table 1 until Thursday, August 6, 2026, which is 1 year after publication of this cancellation order in the **Federal Register**. Thereafter, the registrants are prohibited from selling or distributing products listed in Table 1 of Unit II, except for export in accordance with FIFRA section 17 (7 U.S.C. 136o) or for proper disposal.

Now that EPA has approved product labels reflecting the requested amendments to terminate uses, registrants are permitted to sell or distribute products listed in Table 2 of Unit II, under the previously approved labeling until Friday, April 9, 2027, a period of 18 months after publication of the cancellation order in the **Federal Register**, unless other restrictions have been imposed. Thereafter, registrants will be prohibited from selling or distributing the products whose labels include the terminated uses identified in Table 2 of Unit II, except for export consistent with FIFRA section 17 or for proper disposal.

Persons other than the registrant may sell, distribute, or use existing stocks of canceled products and/or products whose labels include the terminated uses until supplies are exhausted, provided that such sale, distribution, or use is consistent with the terms of the previously approved labeling on, or that accompanied, the canceled products and/or terminated uses.

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

Dated: July 31, 2025.

Charles Smith,

Director, Registration Division, Office of Pesticide Programs.

[FR Doc. 2025–14820 Filed 8–4–25; 8:45 am]

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ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OPP–2025–0519; FRL–12871–01–OCSPP]

Pesticide Registration Maintenance Fee; Requested and Proposed Cancellations of Certain Pesticide Registrations

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: Pursuant to the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), the Environmental Protection Agency (EPA or Agency) is issuing this notice of receipt of requests by registrants to voluntarily cancel the pesticide registrations identified in Unit II. The registrants submitted their requests as part of their response to a registration maintenance fee payment notice for 2025. EPA intends to grant these requests to cancel at the close of the comment period *unless* the Agency receives substantive comments within the comment period that would merit its

further review of the requests to cancel, or unless the registrants withdraw their requests. If these requests to cancel are granted, EPA will issue an order in the **Federal Register** cancelling the listed product registrations, after which any sale, distribution, or use of products listed in this notice will be permitted after the registrations have been cancelled only if such sale, distribution, or use is consistent with the terms as described in the final order. In addition, as a result of the registrants' non-response or non-payment of the 2025 fees, EPA is issuing this notice of intent to cancel the pesticide product registrations identified in Unit III. Unless the Agency receives prompt payment of maintenance fees due for the registrations listed in Unit III., the Agency will issue an order in the **Federal Register** cancelling the listed registrations for which inadequate or no payment has been received.

DATES: Comments and withdrawal requests must be received on or before September 4, 2025.

ADDRESSES: Submit your comments, identified by docket identification (ID) number EPA–HQ–OPP–2025–0519, through *https://www.regulations.gov.* Follow the online instructions for submitting comments. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Additional instructions on commenting and visiting the docket, along with more information about dockets generally, is available at *https://www.epa.gov/dockets.*

Submit written withdrawal request by mail to: Registration Division (7505M), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460–0001. ATTN: Jennifer Drobish.

FOR FURTHER INFORMATION CONTACT: Jennifer Drobish, Registration Division (7505M), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460–0001; telephone number: (202) 566–2642; email address: *drobish.jennifer@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. Executive Summary

A. Does this action apply to me?

This action is directed to the public in general and may be of interest to a wide range of stakeholders including environmental, human health, and agricultural advocates; the chemical industry; pesticide users; and members of the public interested in the sale, distribution, or use of pesticides. Since others also may be interested, the Agency has not attempted to describe all the specific entities that may be affected by this action.

B. What action is the Agency taking?

This document announces receipt by the Agency of requests from registrants to cancel the pesticide products listed in Table 1 of Unit II. that are registered under FIFRA section 3 (7 U.S.C. 136a) or section 24(c) (7 U.S.C. 136v(c)). Unless the Agency determines that there are substantive comments that warrant further review of the requests or the registrants withdraw their requests, EPA intends to issue an order in the **Federal Register** canceling all the registrations.

In addition, this document announces the Agency's intent to cancel the pesticide product registrations listed in Table 3 of Unit III that are registered under FIFRA section 3 (7 U.S.C. 136a) or section 24(c) (7 U.S.C. 136v(c)). EPA intends to cancel these registrations as a result of registrants' non-payment of the 2025 pesticide registration maintenance fees. Since registrations for which the fee is not paid are subject to cancellation by order and without a hearing, EPA is not seeking public comment for the cancellation of the products listed in Table 3 of Unit III.

C. What is EPA's authority for taking this action?

FIFRA section 6(f)(1) (7 U.S.C. 136d(f)(1)) provides that a registrant of a pesticide product may at any time request that any of its pesticide registrations be canceled or amended to terminate one or more uses. FIFRA further provides that, before acting on the request, EPA must publish a notice of receipt of any such request in the **Federal Register**. Thereafter, following the public comment period, EPA may approve the request.

FIFRA section 4(i)(5) (7 U.S.C. 136a–1(i)(5)) requires that all pesticide registrants pay an annual registration maintenance fee, due by January 15 of each year, to keep their registrations in effect. This requirement applies to all registrations granted under FIFRA section 3 (7 U.S.C. 136a) as well as those granted under FIFRA section 24(c) (7 U.S.C. 136v(c)) to meet special local needs. Registrations for which the fee is not paid are subject to cancellation by order and without a hearing pursuant to FIFRA section 4(i)(1)(M) (7 U.S.C. 136a–1(i)(1)(M)). Under FIFRA, EPA may reduce or waive maintenance fees for minor agricultural use pesticides when it is determined that the fee would be likely to cause significant impact on the availability of the pesticide for the use.

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

1. *Submitting CBI.* Do not submit this information to EPA through *regulations.gov* or email. Clearly mark the part or all of the information that you claim to be CBI. For CBI information in a disk or CD–ROM that you mail to EPA, mark the outside of the disk or CD–ROM as CBI and then identify electronically within the disk or CD–ROM the specific information that is claimed as CBI. In addition to one complete version of the comment that includes information claimed as CBI, a copy of the comment that does not contain the information claimed as CBI must be submitted for inclusion in the public docket. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2.

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

III. Requests To Voluntarily Cancel Certain Registrations

The Agency received requests from registrants to cancel the pesticide products registered under FIFRA section 3 (7 U.S.C. 136a) or section 24(c) (7 U.S.C. 136v(c)) that are identified in Table 1 of Unit II. These registrations are listed in sequence by registration number (or company number and 24(c) number) in Table 1 of Unit II. Pursuant to FIFRA Section 6(f) (7 U.S.C. 136d(f)), unless the Agency determines that there are substantive comments that warrant further review of the requests or the registrants withdraw their requests, EPA intends to issue an order in the **Federal Register** canceling all the registrations listed in Table 1 of Unit II.

TABLE 1—REGISTRATIONS WITH PENDING VOLUNTARY REQUESTS FOR CANCELLATION

Registration No.	Company No.	Product name	Active ingredient
100–769	100	MEDALLION FUNGICIDE	Fludioxonil (071503/131341–86–1)—(50%).
100–960	100	FLAGSHIP 0.22G	Thiamethoxam (060109/153719–23–4)—(.22%).

TABLE 1—REGISTRATIONS WITH PENDING VOLUNTARY REQUESTS FOR CANCELLATION—Continued

Registration No.	Company No.	Product name	Active ingredient
100–1597	100	Clariva Complete Beans 500	Fludioxonil (071503/131341–86–1)—(.63%), Metalaxyl-M (113502/70630–17–0)—(1.88%), Pasteuria nishizawae Pn1 (016455/)—(5.07%), SEDAXANE (129223/874967–67–6)—(.63%), Thiamethoxam (060109/153719–23–4)—(12.5%).
239–2716	239	ORTHO GROUNDCLEAR VEGETATION KILLER RTU.	Glyphosate, isopropylamine salt (103601/38641–94–0)—(5%), Imazapyr, isopropylamine salt (128829/81510–83–0)—(.08%).
239–2723	239	NS 515	Diquat dibromide (032201/85–00–7)—(.1%), Glyphosate, isopropylamine salt (103601/38641–94–0)—(2%).
239–2724	239	NS 516	Diquat dibromide (032201/85–00–7)—(.73%), Glyphosate, isopropylamine salt (103601/38641–94–0)—(18%).
239–2725	239	NSR 001	Diquat dibromide (032201/85–00–7)—(.6%), Glyphosate, isopropylamine salt (103601/38641–94–0)—(13%), Imazapic-ammonium (128943/115136–53–3)—(.35%).
239–2737	239	GROUNDCLEAR S RTU	Glyphosate, isopropylamine salt (103601/38641–94–0)—(.14%), Imazapyr, isopropylamine salt (128829/81510–83–0)—(.02%).
777–131	777	Cousteau	Hypochlorous Acid (129054/7790–92–3)—(.017%).
777–138	777	Deadpool	Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(3.711%), Citric acid (021801/77–92–9)—(5%), L-Lactic acid (128929/79–33–4)—(9.992%).
2724–829	2724	RF2187 CDSO PLUS II FOR DOGS	Etofenprox (128965/80844–07–1)—(50%), MGK 264 (057001/113–48–4)—(.91%), Piperonyl butoxide (067501/51–03–6)—(9.1%), Pyriproxyfen (129032/95737–68–1)—(.45%), S-Methoprene (105402/65733–16–6)—(.23%).
5383–144	5383	MERGAL BIT20W	1,2-Benzisothiazolin-3-one (098901/2634–33–5)—(19.18%).
5481–456	5481	METAM 376	Metam-sodium (039003/137–42–8)—(38%).
5481–458	5481	METAM 376	Metam-sodium (039003/137–42–8)—(38%).
5481–466	5481	VAPAM SOIL FUMIGANT SOLUTION FOR ALL CROPS.	Metam-sodium (039003/137–42–8)—(32.7%).
5481–474	5481	SODCURE 376	Metam-sodium (039003/137–42–8)—(38%).
5481–482	5481	FLY KILLER D	Naled (034401/300–76–5)—(36%).
5481–503	5481	AMBUSH 25W INSECTICIDE WATER SOLUBLE PACK.	Permethrin (109701/52645–53–1)—(25%).
5481–617	5481	EQUUS DF	Chlorothalonil (081901/1897–45–6)—(82.5%).
5481–618	5481	EQUUS 500 ZN	Chlorothalonil (081901/1897–45–6)—(38.5%).
5905–486	5905	COPPER–Z 4/4 ALGICIDE/HERBICIDE	Copper sulfate pentahydrate (024401/7758–99–8)—(15.9%).
9198–158	9198	THE ANDERSONS FERTILIZER PLUS 0.058% BIFENTHRIN.	Bifenthrin (128825/82657–04–3)—(.058%).
9198–237	9198	THE ANDERSONS WEED & GRASS PREVENTER WITH 5% TRAMMEL HERBICIDE (DISPERSIBLE GRA.	Trifluralin (036101/1582–09–8)—(5%).
10088–107	10088	CONTACT HERBICIDE #2 CONCENTRATE GRASS AND WEED KILLER.	Glyphosate, isopropylamine salt (103601/38641–94–0)—(18%).
10088–108	10088	CONTACT HERBICIDE #1 RTU	Glyphosate, isopropylamine salt (103601/38641–94–0)—(.96%).
10324–156	10324	MAQUAT 512–NHQ	1-Decanaminium, N-decyl-N, N-dimethyl-, chloride (069149/7173–51–5)—(20.28%), Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(13.52%).
10324–230	10324	Maguard 1522	Ethaneperoxoic acid (063201/79–21–0)—(15%), Hydrogen peroxide (000595/7722–84–1)—(22%).
11678–55	11678	MAGNATE TECHNICAL	Imazalil (111901/35554–44–0)—(98.5%).
34704–870	34704	CHLOROTHALONIL 6	Chlorothalonil (081901/1897–45–6)—(54%).
34704–874	34704	APPLAUSE DF FUNGICIDE	Chlorothalonil (081901/1897–45–6)—(90%).
34704–878	34704	CHLOROTHALONIL 90DF	Chlorothalonil (081901/1897–45–6)—(90%).
34704–914	34704	CHLOROTHALONIL 825 AGRICULTURAL FUNGICIDE.	Chlorothalonil (081901/1897–45–6)—(82.5%).
42750–350	42750	ST Pre-Mix #9	Azoxystrobin (128810/131860–33–8)—(1.18%), Metalaxyl (113501/57837–19–1)—(8.83%), Thiabendazole (060101/148–79–8)—(2.94%), Thiophanate-methyl (102001/23564–05–8)—(2.35%).
42750–353	42750	ST Pre-Mix #11	Fludioxonil (071503/131341–86–1)—(.81%), Imidacloprid (129099/138261–41–3)—(20.17%), Metalaxyl (113501/57837–19–1)—(5.05%), Thiophanate-methyl (102001/23564–05–8)—(3.28%).
42750–379	42750	ST Pre-Mix #20	Azoxystrobin (128810/131860–33–8)—(.71%), Imidacloprid (129099/138261–41–3)—(21.14%), Metalaxyl (113501/57837–19–1)—(5.28%), Thiabendazole (060101/148–79–8)—(1.76%), Thiophanate-methyl (102001/23564–05–8)—(1.4%).
63838–28	63838	ReducX	Caprylic acid (128919/124–07–2)—(5.1%), Ethaneperoxoic acid (063201/79–21–0)—(8.4%), Hydrogen peroxide (000595/7722–84–1)—(7.6%).
63838–34	63838	EP–D50	1-Decanaminium, N-decyl-N, N-dimethyl-, chloride (069149/7173–51–5)—(50%).
66222–20	66222	MAGNATE 500 EC	Imazalil (111901/35554–44–0)—(44.5%).
66222–100	66222	MAGNATE 75 SG	Imazalil (111901/35554–44–0)—(74.25%).
66222–138	66222	ORYZALIN 4 AS	Oryzalin (104201/19044–88–3)—(41%).
70506–45	70506	XL 2G	Benfluralin (084301/1861–40–1)—(1%), Oryzalin (104201/19044–88–3)—(1%).
70506–56	70506	XL 2GR	Benfluralin (084301/1861–40–1)—(1%), Oryzalin (104201/19044–88–3)—(1%).
81964–21	81964	CHLORPYRIFOS 61.5% MUP	Chlorpyrifos (059101/2921–88–2)—(61.5%).
84229–20	84229	CHLORPYRIFOS 4 EC	Chlorpyrifos (059101/2921–88–2)—(44.9%).
89442–6	89442	CHLOROTHALONIL 82.5DF SELECT	Chlorothalonil (081901/1897–45–6)—(82.5%).
89442–9	89442	CHLOROTHALONIL 720 SELECT	Chlorothalonil (081901/1897–45–6)—(54%).
92617–1	92617	COPPER TREAT 120 READY TO USE	Copper naphthenate (023102/1338–02–9)—(21.6%).

TABLE 1—REGISTRATIONS WITH PENDING VOLUNTARY REQUESTS FOR CANCELLATION—Continued

Registration No.	Company No.	Product name	Active ingredient
AK220001	67690	SONAR GENESIS	Fluridone (112900/59756–60–4)—(6.3%).
AR130003	279	SPARTAN CHARGE HERBICIDE	Sulfentrazone (129081/122836–35–5)—(31.77%), Carfentrazone-ethyl (128712/128639–02–1)—(3.53%).
AR160001	8033	CONFIRM 2F INSECTICIDE	Tebufenozide (129026/112410–23–8)—(23%).
AZ000006	400	COMITE AGRICULTURAL MITICIDE	Propargite (097601/2312–35–8)—(73.6%).
AZ080016	400	TERRAMASTER 4EC	Etridiazole (084701/2593–15–9)—(44.3%).
CA020017	66330	CAPTAN 50 WETTABLE POWDER	Captan (081301/133–06–2)—(48.9%).
CA040013	400	COMITE	Propargite (097601/2312–35–8)—(73.6%).
CA130012	66222	DIREX 4L	Diuron (035505/330–54–1)—(40.7%).
CA820083	400	COMITE AGRICULTURAL MITICIDE	Propargite (097601/2312–35–8)—(73.6%).
CA830024	400	COMITE AGRICULTURAL MITICIDE	Propargite (097601/2312–35–8)—(73.6%).
CA940031	400	COMITE AGRICULTURAL MITICIDE	Propargite (097601/2312–35–8)—(73.6%).
CO080002	400	COMITE II	Propargite (097601/2312–35–8)—(69.6%).
CO110003	59639	VALOR HERBICIDE	Flumioxazin (129034/103361–09–7)—(51%).
DE170002	279	DUPONT SENTRALLAS HERBICIDE	Fluroxypyr 1-methylheptyl ester (128968/81406–37–3)—(21.9%), Thifensulfuron (128845/79277–27–3)—(3%).
DE220001	66330	Audit 1:1	Tribenuron-methyl (128887/101200–48–0)—(25%), Thifensulfuron (128845/79277–27–3)—(25%).
FL030011	400	TERRAMASTER 4EC	Etridiazole (084701/2593–15–9)—(44.3%).
GA790021	400	VITAVAX–200 FLOWABLE FUNGICIDE (VITAVAX WITH THIRAM).	Thiram (079801/137–26–8)—(17%), Carboxin (090201/5234–68–4)—(17%).
ID060012	66222	RIMON 0.83 EC	Novaluron (124002/116714–46–6)—(9.3%).
ID110008	66330	DIMETHOATE 4E	Dimethoate (035001/60–51–5)—(43.5%).
ID110009	59639	VALOR HERBICIDE	Flumioxazin (129034/103361–09–7)—(51%).
ID180006	7173	ROZOL VOLE BAIT	Chlorophacinone (067707/3691–35–8)—(.005%).
ID190004	7173	ROZOL VOLE BAIT	Chlorophacinone (067707/3691–35–8)—(.005%).
KY080004	400	TERRAZOLE 4EC	Etridiazole (084701/2593–15–9)—(44.3%).
KY240001	10163	M–PEDE INSECTICIDE/MITICIDE/FUNGICIDE	Potassium laurate (079021/67701–09–1)—(49%).
LA130009	81880	PERMIT PLUS	Thifensulfuron (128845/79277–27–3)—(8%), Halosulfuron-methyl (128721/100784–20–1)—(67%).
LA130010	81880	GWN–3061	Halosulfuron-methyl (128721/100784–20–1)—(75%).
LA130011	8033	CONFIRM 2F INSECTICIDE	Tebufenozide (129026/112410–23–8)—(23%).
LA210003	5481	ENVOKE HERBICIDE	2-Pyridinesulfonamide, N-[[(4,6-dimethoxy-2-pyrimidinyl) amino] carbonyl]-3-(2,2,2-trifluoroethoxy)-, monosodium salt, monohydrate (119009/290332–10–4)—(75%).
MD180001	279	DUPONT SENTRALLAS HERBICIDE	Thifensulfuron (128845/79277–27–3)—(3%), Fluroxypyr 1-methyleptyl ester (128968/81406–37–3)—(21.9%).
MI220001	400	PROCURE 480SC	Triflumizole (128879/68694–11–1)—(42.14%).
MN050003	400	TERRAZOLE 4EC	Etridiazole (084701/2593–15–9)—(44.3%).
MO050003	279	SPARTAN 4F	Sulfentrazone (129081/122836–35–5)—(39.6%).
MS030004	400	TERRAZOLE 4EC	Etridiazole (084701/2593–15–9)—(44.3%).
MT180002	59639	VALOR HERBICIDE	Flumioxazin (129034/103361–09–7)—(51%).
NC140002	400	BEAN GUARD/ALLEGIANCE	Captan (081301/133–06–2)—(24.45%), Carboxin (090201/5234–68–4)—(12.5%), Metalaxyl (113501/57837–19–1)—(3.75%).
NC150004	59639	V–10233 HERBICIDE	Flumioxazin (129034/103361–09–7)—(33.5%), Pyroxasulfone (090099/447399–55–5)—(42.5%).
NV880007	400	COMITE AGRICULTURAL MITICIDE	Propargite (097601/2312–35–8)—(73.6%).
NY120006	67690	SP 1908 AQUATIC HERBICIDE	Fluridone (112900/59756–60–4)—(6.3%).
NY120017	67690	SONAR SRP	Fluridone (112900/59756–60–4)—(5%).
NY130001	67690	SONAR X	Fluridone (112900/59756–60–4)—(5%).
NY200005	400	PROCURE 480SC	Triflumizole (128879/68694–11–1)—(42.14%).
OH210001	400	PROCURE 480SC	Triflumizole (128879/68694–11–1)—(42.14%).
OH950001	66330	CAPTAN 50 WETTABLE POWDER	Captan (081301/133–06–2)—(48.9%).
OK040004	400	TERRAMASTER 4EC	Etridiazole (084701/2593–15–9)—(44.3%).
OK110003	59639	VALOR HERBICIDE	Flumioxazin (129034/103361–09–7)—(51%).
OR010003	5481	K–SALT FRUIT FIX 800	Potassium 1-naphthaleneacetate (056003/15165–79–4)—(24.2%).
OR080028	400	VITAVAX FLOWABLE FUNGICIDE	Carboxin (090201/5234–68–4)—(34%).
OR150008	279	SPARTAN 4F	Sulfentrazone (129081/122836–35–5)—(39.6%).
OR150009	8033	TOPSIN M WSB	Thiophanate-methyl (102001/23564–05–8)—(70%).
OR190003	400	VITAFLO 280	Thiram (079801/137–26–8)—(13.25%), Carboxin (090201/5234–68–4)—(15.59%).
OR190010	100	APRON XL LS	Metalaxyl-M (113502/70630–17–0)—(33.3%).
OR190012	400	COMITE	Propargite (097601/2312–35–8)—(73.6%).
OR190013	100	NORTHSTAR HERBICIDE	Primisulfuron-methyl (128973/86209–51–0)—(7.5%), Dicamba, sodium salt (029806/1982–69–0)—(43.9%).
OR190015	400	ACRAMITE–4SC	Bifenazate (000586/149877–41–8)—(43.2%).
OR190016	400	COMITE	Propargite (097601/2312–35–8)—(73.6%).
OR190017	400	COMITE	Propargite (097601/2312–35–8)—(73.6%).
OR190018	400	ACRAMITE–4SC	Bifenazate (000586/149877–41–8)—(43.2%).
OR200010	400	COMITE	Propargite (097601/2312–35–8)—(73.6%).
PA030005	400	TERRAMASTER 4EC	Etridiazole (084701/2593–15–9)—(44.3%).
PA200005	400	PROCURE 480SC	Triflumizole (128879/68694–11–1)—(42.14%).
PA990004	66330	CAPTAN 50 WETTABLE POWDER	Captan (081301/133–06–2)—(48.9%).
TN080011	400	TERRAMASTER 4EC	Etridiazole (084701/2593–15–9)—(44.3%).
UT190001	91234	AQUESTA 4 F	Sulfentrazone (129081/122836–35–5)—(39.6%).
VA030005	400	TERRAMASTER 4EC	Etridiazole (084701/2593–15–9)—(44.3%).
VA170002	279	DUPONT SENTRALLAS HERBICIDE	Thifensulfuron (128845/79277–27–3)—(3%), Fluroxypyr 1-methyleptyl ester (128968/81406–37–3)—(21.9%).
VT170002	91865	GH MPMT	Potassium laurate (079021/67701–09–1)—(49%).
WA070008	400	ACRAMITE–4SC	Bifenazate (000586/149877–41–8)—(43.2%).
WA150003	400	ACRAMITE–4SC	Bifenazate (000586/149877–41–8)—(43.2%).

TABLE 1—REGISTRATIONS WITH PENDING VOLUNTARY REQUESTS FOR CANCELLATION—Continued

Registration No.	Company No.	Product name	Active ingredient
WA190001	66222	BRAVO 720	Chlorothalonil (081901/1897–45–6)—(54%).
WA190002	66222	FULFILL INSECTICIDE	Pymetrozine (101103/123312–89–0)—(50%).
WA190003	66222	FULFILL	Pymetrozine (101103/123312–89–0)—(50%).
WI180003	66222	BRAVO 825 AGRICULTURAL FUNGICIDE	Chlorothalonil (081901/1897–45–6)—(82.5%).
WI180004	66222	BRAVO 720	Chlorothalonil (081901/1897–45–6)—(54%).
WI180005	66222	BRAVO ZN	Chlorothalonil (081901/1897–45–6)—(38.5%).
WI180006	66222	BRAVO 720	Chlorothalonil (081901/1897–45–6)—(54%).
WY120001	59639	VALOR HERBICIDE	Flumioxazin (129034/103361–09–7)—(51%).
WY190001	400	ACRAMITE–4SC	Bifenazate (000586/149877–41–8)—(43.2%).

Table 2 of Unit II. includes the names and addresses of record for all registrants of the products in Table 1 of Unit II., in sequence by EPA company number. This number corresponds to the first part of the EPA registration numbers of the products listed in this unit.

TABLE 2—REGISTRANTS REQUESTING VOLUNTARY CANCELLATION

Company No.	Company name and address
100	SYNGENTA CROP PROTECTION, LLC, P.O. BOX 18300, GREENSBORO, NC 27419–8300.
228	NUFARM AMERICAS, INC., 4000 AERIAL CENTER PKWY., SUITE 101, MORRISVILLE, NC 27560.
239	THE SCOTTS COMPANY, 14111 SCOTTSLAWN ROAD, MARYSVILLE, OH 43041.
279	FMC CORPORATION, 2929 WALNUT STREET, PHILADELPHIA, PA 19104.
400	MACDERMID AGRICULTURAL SOLUTIONS, INC./UPL NA INC., 630 FREEDOM BUSINESS CENTER, SUITE 402, KING OF PRUSSIA, PA 19406.
777	RECKITT BENCKISER LLC., 399 INTERPACE PARKWAY, PARSIPPANY, NJ 07054–0225.
5383	TROY CHEMICAL CORPORATION, 8 VREELAND ROAD, FLORHAM PARK, NJ 07932.
5481	AMVAC CHEMICAL CORPORATION, 4695 MACARTHUR COURT, SUITE 1200, NEWPORT BEACH, CA 92660–1706.
5905	HELENA AGRI–ENTERPRISES, LLC, D/B/A HELENA CHEMICAL COMP, L225 SCHILLING BLVD., SUITE 300, COLLIERVILLE, TN 38017.
7173	LIPHATECH, INC., 3600 W. ELM STREET, MILWAUKEE, WI 53209.
8033	NISSO AMERICA INC., 379 THORNALL STREET, 5TH FLOOR, EDISON, NJ 08837.
9198	THE ANDERSONS, INC., P.O. BOX 119, MAUMEE, OH 43537.
10163	GOWAN COMPANY, LLC, 370 S. MAIN ST., YUMA, AZ 85366.
10324	MASON CHEMICAL COMPANY, 9075 CENTRE POINTE DR., SUITE 400, WEST CHESTER, OH 45069.
11678	MAKHTESHIM–AGAN OF NORTH AMERICA, INC., D/B/A ADAMA, 8601 SIX FORKS ROAD, SUITE 300, RALEIGH, NC 27615.
34704	LOVELAND PRODUCTS, INC., P.O. BOX 1286, GREELEY, CO 80632–1286.
42750	ALBAUGH, LLC, 1525 NE 36TH STREET, ANKENY, IA 50021.
47000	CHEM–TECH, LTD., 620 LESHER PLACE, LANSING, MI 48912.
59639	VALENT U.S.A. LLC, P.O. BOX 5075, SAN RAMON, CA 94583.
63838	ENVIRO TECH CHEMICAL SERVICES, INC., 500 WINMOORE WAY, MODESTO, CA 95358.
66222	MAKHTESHIM AGAN OF NORTH AMERICA, INC., 8601 SIX FORKS ROAD, SUITE 300, RALEIGH, NC 27615.
66330	UPL NA INC./ARYSTA LIFESCIENCE NORTH AMERICA LLC, 630 FREEDOM BUSINESS CENTER, SUITE 402, KING OF PRUSSIA, PA 19406.
67690	SEPRO CORPORATION, 11550 N. MERIDIAN STREET, SUITE 600, CARMEL, IN 46032.
70506	UPL NA INC, P.O. BOX 12219, RESEARCH TRIANGLE PARK, NC 27709.
81880	CANYON GROUP LLC/GOWAN COMPANY, 370 S. MAIN STREET, YUMA, AZ 85364.
81964	CHEMSTARR, LLC., 21 HUBBLE, IRVINE, CA 92618.
83558	ADAMA, 8601 SIX FORKS ROAD, SUITE 300, RALEIGH, NC 276715.
84229	TIDE INTERNATIONAL, USA, INC., 21 HUBBLE, IRVINE, CA 92618.
89442	PRIME SOURCE (ALBAUGH LLC), 1525 NE 36TH STREET, ANKENY, IA 50021.
91234	ATTICUS, LLC, 940 NW CARY PARKWAY, SUITE 200, CARY, NC 27513.
91865	HAWTHORNE HYDROPONICS LLC D/B/A GENERAL HYDROPONICS, 2877 GIFFEN AVE, SANTA ROSA, CA 95407.
92617	KOP–COAT, INC. DBA KOP–COAT PROTECTION PRODUCTS, 3040 WILLIAM PITT WAY, PITTSBURGH, PA 15238.
100522	SULLUTION AGRO, LLC, P.O. BOX 772, EAGLE, ID 83616.

III. Registrations Cancelled for Non-Payment

The Agency intends to cancel pesticide products registered under FIFRA Section 3 (7 U.S.C. 136a) or Section 24(c) (7 U.S.C. 136v(c)) as a result of the registrants' failure to pay maintenance fees for those registered products by the statutory deadline. These registrations are listed in sequence by registration number (or company number and 24(c) number) in Table 3 of Unit III. Unless the Agency receives prompt payment of maintenance fees due for the registrations listed in Table 3 of Unit III., the Agency will issue an order in the **Federal Register** cancelling any of the listed products listed for which inadequate or no payment has been received.

TABLE 3—REGISTRATIONS TO BE CANCELLED FOR NON-PAYMENT OF 2025 MAINTENANCE FEE

Registration No.	Company No.	Product name	Active ingredient
322–28	322	STRYCHNINE ALKALOID NFX	Strychnine (076901/57–24–9)—(98.4%).
402–98	402	NO. 1117 HILCO–X WEED KILLER	2,4–D, 2-ethylhexyl ester (030063/1928–43–4)—(1.09%), Bromacil (012301/314–40–9)—(.61%).
402–131	402	WEED & BRUSH KILLER XL–1	Bromacil, lithium salt (012302/53404–19–6)—(11.5%).
577–572	577	SEAVOYAGE 100 ANTI–FOULING PAINT	Copper 2-pyridinethio-1-oxide (088001/14915–37–8)—(4.12%), Cuprous oxide (025601/1317–39–1)—(21.05%).
961–380	961	PAR EX FERTILIZER PLUS 1.5% RONSTAR	Oxadiazon (109001/19666–30–9)—(1.5%).

TABLE 3—REGISTRATIONS TO BE CANCELLED FOR NON-PAYMENT OF 2025 MAINTENANCE FEE—Continued

Registration No.	Company No.	Product name	Active ingredient
961–394	961	LEBANON FERTILIZER PLUS CONFRONT TR BRAND HERBICIDE.	2,4–D, butoxyethyl ester (030053/1929–73–3)—(.829%), Triclopyr, butoxyethyl ester (116004/64700–56–7)—(.398%).
961–395	961	CONFRONT III + FERTILIZER	2,4–D, dimethylamine salt (030019/2008–39–1)—(1.037%), Fluroxypyr 1-methylheptyl ester (128968/81406–37–3)—(.207%), Triclopyr, triethylamine salt (116002/57213–69–1)—(.303%).
961–424	961	LANDSCAPE MULCH WITH INSECTICIDE	Bifenthrin (128825/82657–04–3)—(.00016%).
961–426	961	BIFENTHRIN 0.115% INSECTICIDE	Bifenthrin (128825/82657–04–3)—(.115%).
2935–407	2935	GOLDEN–DEW	Sulfur (077501/7704–34–9)—(92%).
2935–523	2935	SUPREME OIL 98–2	Mineral oil—includes paraffin oil from 063503 (063502/8012–95–1)—(98%).
2935–547	2935	NO MOSS 10–4–6	Ferrous sulfate monohydrate (050507/17375–41–6)—(30.52%).
2935–557	2935	OPEN RANGE G	Imazapic-ammonium (128943/115136–53–3)—(.885%).
4582–70	4582	MNDA M–9011	Neodecanamide, N-methyl- (079052/105726–67–8)—(96.3%).
7754–36	7754	BUG BARRIER 100	Diethyl toluamide (080301/134–62–3)—(98.11%).
7754–37	7754	HALT DOG REPELLENT	Capsaicin (070701/404–86–4)—(.35%).
7754–38	7754	HALT II DOG REPELLENT	Capsaicin (070701/404–86–4)—(1%).
7754–44	7754	ARI WASP AND HORNET KILLER	Phenothrin (069005/26002–80–2)—(.125%), Tetramethrin (069003/7696–12–0)—(.2%).
8655–2	8655	EASTMAN PROPIONIC ACID P–RF GRAIN PRESERVATIVE.	Propionic acid (077702/79–09–4)—(99.5%).
8848–53	8848	707–B MADE ESPECIALLY FOR BEDBUGS AND FLEAS.	Piperonyl butoxide (067501/51–03–6)—(.4%), Pyrethrins (069001/8003–34–7)—(.1%).
8848–65	8848	BLACK JACK TOTAL RELEASE INDOOR FOGGER.	Permethrin (109701/52645–53–1)—(.2%), Piperonyl butoxide (067501/51–03–6)—(1%), Tetramethrin (069003/7696–12–0)—(.2%).
8848–73	8848	BLACK JACK MULTIPURPOSE 0.5% INSECTICIDE.	Permethrin (109701/52645–53–1)—(.5%).
8848–20205	8848	BLACK JACK BORIC ACID POWDER ROACH KILLER.	Boric acid (011001/10043–35–3)—(100%).
9404–91	9404	SUNNILAND LAWN FOOD WITH 0.25% PRODIAMINE.	Prodiamine (110201/29091–21–2)—(.25%).
9613–20001	9613	CRYSTAL AQUA CHLORINATING SOLUTION.	Sodium hypochlorite (014703/7681–52–9)—(12.5%).
10250–54	10250	HEMPEL'S ANTIFOULING OLYMPIC HI 76600–51110 RED.	Cuprous oxide (025601/1317–39–1)—(48.79%).
10250–55	10250	HEMPEL'S ANTIFOULING GLOBIC 81950	3(2H)-Isothiazolone, 4,5-dichloro-2-octyl- (128101/64359–81–5)—(1.86%), Cuprous oxide (025601/1317–39–1)—(37%).
10250–57	10250	HEMPAGUARD X7 89900 PART A 89909	Copper 2-pyridinethio-1-oxide (088001/14915–37–8)—(8.47%).
10250–58	10250	HEMPEL'S ANTIFOULING GLOBIC 9000	Copper 2-pyridinethio-1-oxide (088001/14915–37–8)—(2.9%), Cuprous oxide (025601/1317–39–1)—(38.62%).
10806–41	10806	SURE HIT 25 INSECT KILLER	Phenothrin (069005/26002–80–2)—(.15%), Tetramethrin (069003/7696–12–0)—(.25%).
10806–97	10806	CONTACT WATER–BASED INDOOR FOGGER II.	MGK 264 (057001/113–48–4)—(.4%), Permethrin (109701/52645–53–1)—(.4%), Pyrethrins (069001/8003–34–7)—(.05%).
10900–72	10900	856 INSECT REPELLENT II	Diethyl toluamide (080301/134–62–3)—(25%), MGK 264 (057001/113–48–4)—(5%), MGK 326 (047201/136–45–8)—(2.5%).
11411–1	11411	LESLIE'S SWIMMING POOL SUPPLIES CHLOR BRITE II.	Sodium dichloro-s-triazinetrione (081404/2893–78–9)—(97%).
11411–5	11411	LESLIE'S SWIMMING POOL SUPPLIES FLOATING CHLORINATOR.	Trichloro-s-triazinetrione (081405/87–90–1)—(99%).
13926–7	13926	DIACICLON F–7	Piperonyl butoxide (067501/51–03–6)—(1.18%), Pyrethrins (069001/8003–34–7)—(.2%).
23566–6	23566	610 RED HATTERAS COPPER	Cuprous oxide (025601/1317–39–1)—(25%).
33427–26	33427	Aceto Methoxyfenozide Technical	Methoxyfenozide (121027/161050–58–4)—(98.6%).
33427–32	33427	Ethalfluralin Technical	Ethalfluralin (113101/55283–68–6)—(96%).
34859–3	34859	WC–150 SANITIZER	Sodium hypochlorite (014703/7681–52–9)—(12.5%).
35056–4	35056	AQUA PURE ALGAECIDE	Alkyl* dimethyl benzyl ammonium chloride *(60%C14, 30%C16, 5%C18, 5%C12) (069104/53516–76–0)—(.625%), Alkyl* dimethyl ethylbenzyl ammonium chloride *(68%C12, 32%C14) (069154/85409–23–0)—(.625%), Copper sulfate pentahydrate (024401/7758–99–8)—(28.029%).
36029–1	36029	WILCO GOPHER GETTER TYPE 1 BAIT	Strychnine (076901/57–24–9)—(.5%).
36029–7	36029	WILCO GOPHER GETTER AG BAIT	Strychnine (076901/57–24–9)—(.5%).

TABLE 3—REGISTRATIONS TO BE CANCELLED FOR NON-PAYMENT OF 2025 MAINTENANCE FEE—Continued

Registration No.	Company No.	Product name	Active ingredient
36631–1	36631	CRUDE PYRETHRUM EXTRACT	Pyrethrins (069001/8003–34–7)—(30.1%).
36638–25	36638	NOMATE PBW MEC	7,11-Hexadecadien-1-ol, acetate, (E, Z)- (114101/53042–79–8)—(10%), 7,11-Hexadecadien-1-ol, acetate, (Z, Z)-(114102/52207–99–5)—(10%).
36638–43	36638	NOMATE LBAM SPIRAL	(E)-11-Tetradecen-1-ol acetate (129019/33189–72–9)—(7.74%), (E, E)-9,11-Tetradecadien-1-ol acetate (128000/54664–98–1)—(.32%).
42182–20	42182	ULTRA FRESH NM–100	Triclosan (054901/3380–34–5)—(99%).
43497–1	43497	CHLOR 64	Sodium hypochlorite (014703/7681–52–9)—(6.4%).
44446–48	44446	BUG BAN PLUS	Diethyl toluamide (080301/134–62–3)—(22.56%), MGK 264 (057001/113–48–4)—(5%), MGK 326 (047201/136–45–8)—(2.5%).
45600–20	45600	INSECTA LIQUID	Permethrin (109701/52645–53–1)—(2%).
45728–7	45728	FERBAM GRANUFLO	Ferbam (034801/14484–64–1)—(76%).
45728–21	45728	THIRAM GRANUFLO AGRICULTURAL FUNGICIDE.	Thiram (079801/137–26–8)—(75%).
45728–28	45728	FLOWSAN SEED TREATMENT	Thiram (079801/137–26–8)—(44.04%).
46813–69	46813	FLYING INSECT KILLER I	MGK 264 (057001/113–48–4)—(3.146%), Piperonyl butoxide (067501/51–03–6)—(1.95%), Pyrethrins (069001/8003–34–7)—(.974%).
47265–4	47265	SHIN–ETSU RACEMIC DISPARLURE	cis-7,8-Epoxy-2-methyloctadecane (114301/29804–22–6)—(89.2%).
50600–13	50600	SB-Chlorinate III	Sodium hypochlorite (014703/7681–52–9)—(12.5%).
52991–23	52991	BEDOUKIAN L–CARVONE	L-Carvone (079500/6485–40–1)—(99.5%).
52991–25	52991	BEDOUKIAN LINALOOL TECHNICAL	Linalool (128838/78–70–6)—(94.5%).
52991–26	52991	BEDOUKIAN CITRAL TECHNICAL	Citral (040510/5392–40–5)—(98%).
52991–38	52991	Triple B Repellent Ready To Use Spray	Cyclopentaneacetic acid, 3-oxo-2-pentyl-, propyl ester (028000/158474–72–7)—(1.875%), Delta-dodecalactone (031134/713–95–1)—(2.5%), Methyl-dihydrojasmonate (031135/54562–27–5)—(.625%).
52991–40	52991	Triple B Repellent Concentrate	Cyclopentaneacetic acid, 3-oxo-2-pentyl-, propyl ester (028000/158474–72–7)—(3.75%), Delta-dodecalactone (031134/713–95–1)—(5%), Methyl-dihydrojasmonate (031135/54562–27–5)—(1.25%).
52991–41	52991	BEDOUKIAN PROPYL DIHYDRO JASMONATE TECHNICAL.	Cyclopentaneacetic acid, 3-oxo-2-pentyl-, propyl ester (028000/158474–72–7)—(97%).
52991–42	52991	Triple B Professional Repellent Concentrate	Cyclopentaneacetic acid, 3-oxo-2-pentyl-, propyl ester (028000/158474–72–7)—(17.3%), Delta-dodecalactone (031134/713–95–1)—(23.08%), Methyl-dihydrojasmonate (031135/54562–27–5)—(5.77%).
52991–43	52991	Bedoukian Delta-Dodecalactone Technical	Delta-dodecalactone (031134/713–95–1)—(99.7%).
53053–21	53053	ENVIROSYSTEMS PROSHIELD 5000	1-Octadecanaminium, N, N-dimethyl-N-(3-(trimethoxysilyl) propyl)-, chloride (107401/27668–52–6)—(5%).
53053–22	53053	ENVIROSYSTEMS BIOSHIELD 150	1-Octadecanaminium, N, N-dimethyl-N-(3-(trimethoxysilyl) propyl)-, chloride (107401/27668–52–6)—(1.5%).
53053–23	53053	ENVIROSYSTEMS BIOSHIELD 50	1-Octadecanaminium, N, N-dimethyl-N-(3-(trimethoxysilyl) propyl)-, chloride (107401/27668–52–6)—(.5%).
53053–24	53053	ENVIROSYSTEMS BIOSHIELD 75	1-Octadecanaminium, N, N-dimethyl-N-(3-(trimethoxysilyl) propyl)-, chloride (107401/27668–52–6)—(.75%).
53053–25	53053	ENVIROSYSTEMS BIOSHIELD 7200	1-Octadecanaminium, N, N-dimethyl-N-(3-(trimethoxysilyl) propyl)-, chloride (107401/27668–52–6)—(71.2%).
53053–28	53053	ENVIROSYSTEMS PROSHIELD 5000 D	1-Octadecanaminium, N, N-dimethyl-N-(3-(trimethoxysilyl) propyl)-, chloride (107401/27668–52–6)—(5%).
53735–10	53735	SPA BROMINE DISINFECTANT	2,4-Imidazolidinedione, 1-bromo-3-chloro-5,5-dimethyl-(006315/16079–88–2)—(96%).
53575–35	53575	ISOMATE CM RING	CheckMate Technical Pheromone (129028/33956–49–9)—(55.05%), Lauryl alcohol (001509/112–53–8)—(31.22%), Myristyl alcohol (001510/112–72–1)—(6.3%).
55487–20001	55487	B'S POOL SUPPLY SODIUM HYPOCHLORITE SOLUTION (12.5%).	Sodium hypochlorite (014703/7681–52–9)—(12.5%).
56336–6	56336	CHECKMATE (R) TPW	(E)-4-Tridecen-l-yl acetate (121902/72269–48–8)—(2.84%), (Z)-4-Tridecen-1-yl acetate (121901/65954–19–0)—(.09%).
56336–39	56336	CHECKMATE APM–F	(Z)-11-Hexadecenal (120001/53939–28–9)—(9.96%).
56336–40	56336	CHECKMATE WPCM–F	(E, Z)-3,13-Octadecadien-1-ol (129117/66410–28–4)—(14.02%), (Z, Z)-3,13-Octadecadien-1-ol (117241/66410–24–0)—(3.55%).
56336–45	56336	PUFFER APM	(Z)-11-Hexadecenal (120001/53939–28–9)—(12.24%).
56336–58	56336	CHECKMATE LBAM DISPENSER	(E)-11-Tetradecen-1-ol acetate (129019/33189–72–9)—(8.36%), (E, E)-9,11-Tetradecadien-1-ol acetate (128000/54664–98–1)—(.44%).

TABLE 3—REGISTRATIONS TO BE CANCELLED FOR NON-PAYMENT OF 2025 MAINTENANCE FEE—Continued

Registration No.	Company No.	Product name	Active ingredient
56336–59	56336	CHECKMATE LBAM–F	(E)-11-Tetradecen-1-ol acetate (129019/33189–72–9)—(16.33%), (E, E)-9,11-Tetradecadien-1-ol acetate (128000/54664–98–1)—(.86%).
56336–63	56336	CHECKMATE SF–XL	(E)-8-Dodecen-1-yl acetate (128907/38363–29–0)—(.77%), (Z)-8-Dodecen-1-yl acetate (128906/28079–04–1)—(12%), 5-Decen-1-ol, (E)- (078038/56578–18–8)—(1.73%), 5-Decen-1-ol, acetate, (E)- (117703/38421–90–8)—(8.34%), Dodecen-1-ol, (Z)- (128908/40642–40–8)—(.13%).
56336–77	56336	CheckMate LRz I Flowable	(Z)-11-Tetradecenyl acetate (128980/20711–10–8)—(23%).
56783–1	56783	DAMMINIX	Permethrin (109701/52645–53–1)—(7.4%).
56783–2	56783	MITE ARREST	Permethrin (109701/52645–53–1)—(7.4%.
56872–2	56872	WOW PLUS	Glutens, corn (100137/66071–96–3)—(78%).
56890–3	56890	CHLORINATING SKIMMER STICKS	Trichloro-s-triazinetrione (081405/87–90–1)—(99%).
56890–4	56890	1 Chlorinating Tablets	Trichloro-s-triazinetrione (081405/87–90–1)—(99%).
58501–2	58501	WEEDEX DANDELION STICK	2,4–D, dimethylamine salt (030019/2008–39–1)—(4.5%), Triclopyr, triethylamine salt (116002/57213–69–1)—(2%).
61428–1	61428	WATER PRESERVER CONCENTRATE	Sodium hypochlorite (014703/7681–52–9)—(5.25%).
61671–1	61671	MENTHOL	Menthol (051601/1490–04–6)—(99.94%).
61671–2	61671	PARA–MOTH	Paradichlorobenzene (061501/106–46–7)—(99.94%).
61842–10	61842	FLAGSTICK	Fosetyl-Al (123301/39148–24–8)—(70%).
61842–15	61842	M–97–009 KAOLIN	Kaolin clay (100104/1332–58–7)—(100%).
61842–20	61842	LAYBY PRO HERBICIDE	Diuron (035505/330–54–1)—(20%), Linuron (035506/330–55–2)—(20.3%).
61842–33	61842	SEVIN BRAND 85 SPRAYABLE CARBARYL INSECTICIDE.	Carbaryl (056801/63–25–2)—(85%).
61842–34	61842	SEVIN 80 SOLUPAK	Carbaryl (056801/63–25–2)—(80%).
61842–39	61842	SEVIN BRAND 80 WSP CARBARYL INSECTICIDE.	Carbaryl (056801/63–25–2)—(80%).
61842–53	61842	METHOMYL COMPOSITION	Methomyl (090301/16752–77–5)—(92%).
62445–1	62445	SEA–BORN ROWBUST	Cytokinin (as kinetin) (116801/525–79–1)—(.01%).
62899–2	62899	Crop Cure 2a	Sodium diacetate (044008/126–96–5)—(90%).
63802–1	63802	CHLORINE	Chlorine (020501/7782–50–5)—(99.5%).
64137–20	64137	BIO–SAVE 1000 BIOLOGICAL FUNGICIDE	Pseudomonas syringae, strain ESC 10 (006441/68583–32–4)—(83%).
64137–24	64137	BIO–SAVE 10 NT BIOLOGICAL FUNGICIDE	Pseudomonas syringae, strain ESC 10 (006441/68583–32–4)—(28.61%).
64137–25	64137	BIO–SAVE 11 NT BIOLOGICAL FUNGICIDE	Pseudomonas syringae, strain ESC–11 (006451/)—(28.61%).
64137–27	64137	Jet Granular 527	Sodium percarbonate (128860/15630–89–4)—(34.44%), Tetraacetylethylenediamine (004115/10543–57–4)—(28.02%).
64321–10	64321	BIO KILL EXTRA GT INSECTICIDE	Prallethrin (128722/23031–36–9)—(1%), lambda-Cyhalothrin (128897/91465–08–6)—(9%).
64321–11	64321	BIO KILL EXTRA GT READY–TO–USE	Prallethrin (128722/23031–36–9)—(.0075%), lambda-Cyhalothrin (128897/91465–08–6)—(.0675%).
65146–2	65146	TRICHLOROMELAMINE	Trichloromelamine (077101/7673–09–8)—(98%).
65169–1	65169	CHLORO GLASS SANITIZER	Trichloromelamine (077101/7673–09–8)—(18.7%).
68250–1	68250	LIQUIDATOR ELECTRONIC IONIZATION SYSTEM.	Copper as elemental (022501/7440–50–8)—(70%), Silver (072501/7440–22–4)—(30%).
68660–3	68660	PROXITANE M–15 TECHNICAL PEROXYACETIC ACID.	Ethaneperoxoic acid (063201/79–21–0)—(15%), Hydrogen peroxide (000595/7722–84–1)—(14%).
68959–12	68959	DECON–CYCLE Plus	2-Benzyl-4-chlorophenol (062201/120–32–1)—(10.91%), o-Phenylphenol (NO INERT USE) (064103/90–43–7)—(11.05%).
69117–2	69117	GREYHOUND INSECTICIDE	Abamectin (122804/71751–41–2)—(2%).
69117–8	69117	POINTER INSECTICIDE S	Imidacloprid (129099/138261–41–3)—(5%).
69204–1	69204	TK–10	Prometon (080804/1610–18–0)—(3.75%).
69261–3	69261	DIASOURCE DIATOMACEOUS EARTH GRAIN STORAGE INSECTICIDE.	Silicon dioxide (072605/7631–86–9)—(88.25%).
69261–4	69261	PURE DE	Silicon dioxide (072605/7631–86–9)—(88.25%).
69261–5	69261	DE–SOURCE DIATOMACEOUS EARTH FOR MANUFACTURING USE ONLY.	Silicon dioxide (072605/7631–86–9)—(88.25%).
69274–1	69274	DEER NO NO DEER REPELLENT	Soap (079009/61789–31–9)—(85%).
69403–1	69403	SANIGUARD	1-Decanaminium, N-decyl-N, N-dimethyl-, chloride (069149/7173–51–5)—(.096%).
69553–4	69553	SPEXIT	Spodoptera exigua multinucleopolyhedrovirus, strain BV–0004 (129345/)—(.6%).
69553–8	69553	LOOPEX	Autographa californica multiple nucleopolyhedrovirus strain FV#11 (128123/)—(.1%).
69814–4	69814	GERMICIDE AQUEOUS	Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(.13%).

TABLE 3—REGISTRATIONS TO BE CANCELLED FOR NON-PAYMENT OF 2025 MAINTENANCE FEE—Continued

Registration No.	Company No.	Product name	Active ingredient
70127–5	70127	TAEGRO	Bacillus subtilis var. amyloliquefaciens strain FZB24 (006480/)—(10.4%).
70127–6	70127	TAEGRO TECHNICAL	Bacillus subtilis var. amyloliquefaciens strain FZB24 (006480/)—(79.9%).
70127–11	70127	TAEGRO TECHNICAL 2	Bacillus subtilis var. amyloliquefaciens strain FZB24 (006480/)—(79.9%).
70127–12	70127	TAEGRO 2	Bacillus subtilis var. amyloliquefaciens strain FZB24 (006480/)—(10.4%).
70553–2	70553	PERMETHRIN TECHNICAL	Permethrin (109701/52645–53–1)—(95.5%).
72961–1	72961	BOROWOOD TECHNICAL	Boron sodium oxide (B8Na2O13), tetrahydrate (12280–03–4) (011103/12280–03–4)—(99.98%).
73479–2	73479	PUFFER CM	CheckMate Technical Pheromone (129028/33956–49–9)—(18.05%).
73479–22	73479	CheckMate Puffer NOW–O Pro	(Z, Z)-11,13-Hexadecadienal (000711/71317–73–2)—(.49%).
73479–8	73479	PUFFER OFM	(E)-8-Dodecen-1-yl acetate (128907/38363–29–0)—(.75%), (Z)-8-Dodecen-1-yl acetate (128906/28079–04–1)—(11.63%), Dodecen-1-ol, (Z)- (128908/40642–40–8)—(.12%).
74468–11	74468	PRE–AMINE 65 WDG	Prodiamine (110201/29091–21–2)—(65%).
74468–14	74468	AZOXYSTROBIN TECHNICAL	Azoxystrobin (128810/131860–33–8)—(99%).
74468–15	74468	2,4–D Amine 4	2,4–D, dimethylamine salt (030019/2008–39–1)—(47.2%).
74468–16	74468	ProActive Azoxystrobin Technical	Azoxystrobin (128810/131860–33–8)—(98.5%).
74530–4	74530	HELOSATE PRO	Glyphosate, isopropylamine salt (103601/38641–94–0)—(41%).
74530–14	74530	HELOSATE 62% MUP	Glyphosate, isopropylamine salt (103601/38641–94–0)—(62%).
74530–43	74530	HELOSATE PLUS ADVANCED	Glyphosate, isopropylamine salt (103601/38641–94–0)—(41%).
74530–56	74530	HELOSATE 5 HERBICIDE	Glyphosate, isopropylamine salt (103601/38641–94–0)—(50.2%).
74564–2	74564	KLOR 300 CHLORINE BASED SANITIZER	Sodium hypochlorite (014703/7681–52–9)—(6%).
74779–1	74779	ARACINATE TREE INJECTION	Abamectin (122804/71751–41–2)—(2%).
74779–10	74779	RTSA 14.3% PROPICONAZOLE	Propiconazole (122101/60207–90–1)—(14.3%).
74986–4	74986	SELECTROCIDE 2L500	Sodium chlorite (020502/7758–19–2)—(30.5%).
74986–5	74986	SELECTROCIDE 5G	Sodium chlorite (020502/7758–19–2)—(30.5%).
75257–1	75257	FREEDOM 45 SPOT ON FOR DOGS	Permethrin (109701/52645–53–1)—(45%).
75337–1	75337	HORMOGEL	Indole-3-butyric acid (046701/133–32–4)—(.2%).
75844–10	75844	Liberty 55 Plus IGR Spot-On for Cats	Etofenprox (128965/80844–07–1)—(55%), Pyriproxyfen (129032/95737–68–1)—(2.2%).
79894–6	79894	INSECT–O–CLEAN	D-Limonene (179701/5989–27–5)—(5.8%).
81045–2	81045	ELEXA–4	Chitosan (128930/9012–76–4)—(4%).
81899–5	81899	AZAPURE (AZADIRACHTIN TECHNICAL)	Azadirachtin (121701/108168–76–9)—(40%).
82012–3	82012	ANTIMICROBIAL COPPER ALLOYS—GROUP III.	Copper as elemental (022501/7440–50–8)—(82.6%).
82012–5	82012	ANTIMICROBIAL COPPER ALLOYS GROUP V.	Copper as elemental (022501/7440–50–8)—(66.5%).
82024–1	82024	CREOSOTE–SOLUTION	Coal tar creosote (025004/8001–58–9)—(97.5%).
82024–2	82024	CREOSOTE OIL	Coal tar creosote (025004/8001–58–9)—(98.5%).
82024–3	82024	CREOSOTE PETROLEUM SOLUTION	Coal tar creosote (025004/8001–58–9)—(75%).
82484–1	82484	DRO–5000	Chlorine dioxide (020503/10049–04–4)—(5%).
82691–1	82691	STAY CLEAN ADDITIVE A	Zinc oxide (088502/1314–13–2)—(100%).
83558–22	83558	ORYZALIN TECHNICAL	Oryzalin (104201/19044–88–3)—(95.6%).
83558–24	83558	ORYZALIN 4MC	Oryzalin (104201/19044–88–3)—(41%).
84059–11	84059	MBI–005 TGAI	Killed, non-viable Streptomyces acidiscabies strain RL–110T cells and spent fermentation media (016328/)—(100%).
84059–12	84059	MBI–005 EP	Killed, non-viable Streptomyces acidiscabies strain RL–110T cells and spent fermentation media (016328/)—(17%).
84059–26	84059	MBI–601 EP	Muscodor albus strain SA–13 and spent and unspent fermentation media (006666/)—(100%).
84198–1	84198	PEROXY HDOX	Hydrogen peroxide (000595/7722–84–1)—(6.7%).
85353–1	85353	CUVERRO I	Copper as elemental (022501/7440–50–8)—(66.5%).
85353–2	85353	CUVERRO II	Copper as elemental (022501/7440–50–8)—(73%).
85353–3	85353	CUVERRO III	Copper as elemental (022501/7440–50–8)—(82.6%).
85353–5	85353	CUVERRO V	Copper as elemental (022501/7440–50–8)—(91.3%).
85353–6	85353	CUVERRO VI	Copper as elemental (022501/7440–50–8)—(62%).
85678–66	85678	Acifluorfen 44% MUP	Sodium acifluorfen (114402/62476–59–9)—(44%).
85724–1	85724	AKOTOP 85 WG	Thiophanate-methyl (102001/23564–05–8)—(85%).
85724–10	85724	AKOFOS 48 EC	Chlorpyrifos (059101/2921–88–2)—(42.5%).

TABLE 3—REGISTRATIONS TO BE CANCELLED FOR NON-PAYMENT OF 2025 MAINTENANCE FEE—Continued

Registration No.	Company No.	Product name	Active ingredient
85724–11	85724	OVNI XL	Glyphosate (417300/1071–83–6)—(30%), Oxyfluorfen (111601/42874–03–3)—(3.75%).
85724–12	85724	MERJAN 50WP	Captan (081301/133–06–2)—(48.93%).
85797–1	85797	Handheld Electrochemical Decon Apparatus	Sodium bromide (013907/7647–15–6)—(45.2%), Sodium chlorite (020502/7758–19–2)—(51.4%).
86027–1	86027	SODIUM HYPOCHLORITE 10.8%	Sodium hypochlorite (014703/7681–52–9)—(10.8%).
86027–2	86027	SODIUM HYPOCHLORITE 10.8% MUP	Sodium hypochlorite (014703/7681–52–9)—(10.8%).
86027–3	86027	CHLORINE	Chlorine (020501/7782–50–5)—(99.9%).
87394–6	87394	Ninja Neem	Cold Pressed Neem Oil (025006/8002–65–1)—(100%).
87845–2	87845	NASA HERBICIDE	Glyphosate (417300/1071–83–6)—(41%).
87978–6	87978	SURTIVO	Chrysodeixis includens Nucleopolyhedrovirus, isolate #460 (129344/)—(17.1%), Helicoverpa zea Nucleopolyhedrovirus strain ABA–NPV–U (107200/)—(17.1%).
88080–2	88080	BIRD FREE	Polybutene (011402/9003–29–6)—(70%).
88373–4	88373	STERI–VET	Ethaneperoxoic acid (063201/79–21–0)—(5.9%), Hydrogen peroxide (000595/7722–84–1)—(27.3%).
88373–5	88373	DISIN–VET PLUS	1-Decanaminium, N, N-dimethyl-N-octyl-, chloride (069165/32426–11–2)—(9.18%), 1-Decanaminium, N-decyl-N, N-dimethyl-, chloride (069149/7173–51–5)—(4.59%), 1-Octanaminium, N,N-dimethyl-N-octyl-, chloride (069166/5538–94–3)—(4.59%), Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(12.24%).
88746–9	88746	Flask Insecticide	lambda-Cyhalothrin (128897/91465–08–6)—(9.7%).
88746–10	88746	Larvur Insect Bait	Hydramethylnon (118401/67485–29–4)—(1%), Imidacloprid (129099/138261–41–3)—(.5%).
88746–11	88746	Permetron	Permethrin (109701/52645–53–1)—(36.8%).
88746–12	88746	NOVACIDE INSECTICIDE	Etofenprox (128965/80844–07–1)—(1%), Piperonyl butoxide (067501/51–03–6)—(1.5%), Pyrethrins (069001/8003–34–7)—(.15%), S-Methoprene (105402/65733–16–6)—(.09%), Tetramethrin (069003/7696–12–0)—(.25%).
88867–1	88867	PROTECTOR 0.5G	Imidacloprid (129099/138261–41–3)—(.5%).
88867–2	88867	PROTECTOR 2F	Imidacloprid (129099/138261–41–3)—(21.4%).
89771–1	89771	SODIUM HYPOXHLORITE (BLEACH) 19%	Sodium hypochlorite (014703/7681–52–9)—(16.32%).
89850–5	89850	SEMIOS CM PLUS	CheckMate Technical Pheromone (129028/33956–49–9)—(18.05%).
89850–6	89850	SEMIOS OFM PLUS	(E)-8-Dodecen-1-yl acetate (128907/38363–29–0)—(.96%), (Z)-8-Dodecen-1-yl acetate (128906/28079–04–1)—(10.59%), Dodecen-1-ol, (Z)- (128908/40642–40–8)—(.15%).
89850–7	89850	SEMIOS OBLR/PLR PLUS	(Z)-11-Tetradecenyl acetate (128980/20711–10–8)—(14.78%).
89850–16	89850	SEMIOS Z–11–TETRADECENYL ACETATE TECHNICAL PHEROMONE.	(Z)-11-Tetradecenyl acetate (128980/20711–10–8)—(96.51%).
90057–1	90057	SHP IMIDACLOPRID TECHNICAL	Imidacloprid (129099/138261–41–3)—(99.16%)
90344–1	90344	POLYLAURIN 120	Glycerol monolaurate (011290/27215–38–9)—(1.4%), Propylene glycol monolaurate (011288/27194–74–7)—(11.3%).
90748–1	90748	SPECTRAKILL—RTU	Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(.117%), Hydrogen peroxide (000595/7722–84–1)—(5.36%).
90748–5	90748	SpectraKill (TM) Force Part A	Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(3.2%).
90748–6	90748	SPECTRAKILL FORCE PART B	Hydrogen peroxide (000595/7722–84–1)—(7.95%).
90856–1	90856	MONOFOIL MF–05	1-Octadecanaminium, N, N-dimethyl-N-[3-(trihydroxysilyl) propyl], chloride (107403/199111–50–7)—(3.6%).
90856–2	90856	MONOFOIL M	1-Octadecanaminium, N, N-dimethyl-N-[3-(trihydroxysilyl) propyl], chloride (107403/199111–50–7)—(1.3%).
90856–4	90856	MONOFOIL D	1-Octadecanaminium, N, N-dimethyl-N-(3-(trimethoxysilyl) propyl)-, chloride (107401/27668–52–6)—(.13%), Alkyl* dimethyl benzyl ammonium chloride *(60%C14, 30%C16, 5%C18, 5%C12) (069104/53516–76–0)—(.25%), Alkyl* dimethyl ethylbenzyl ammonium chloride *(68%C12, 32%C14) (069154/85409–23–0)—(.25%).
90924–19	90924	PERMACARE PC–12	2,2-Dibromo-3-nitrilopropionamide (101801/10222–01–2)—(5%).
91145–4	91145	CATTLE SHIELD SUPER CONCENTRATE SYNERGIZED PERMETHRIN POUR–ON.	Permethrin (109701/52645–53–1)—(7.4%), Piperonyl butoxide (067501/51–03–6)—(7.4%).
91145–5	91145	CATTLE SHIELD PERMETHRIN 1% SYNERGIZED POUR–ON.	Permethrin (109701/52645–53–1)—(1%), Piperonyl butoxide (067501/51–03–6)—(1%).
91186–1	91186	MT–SORB MIN–DRI	Copper sulfate pentahydrate (024401/7758–99–8)—(3.2%).

TABLE 3—REGISTRATIONS TO BE CANCELLED FOR NON-PAYMENT OF 2025 MAINTENANCE FEE—Continued

Registration No.	Company No.	Product name	Active ingredient
91300–1	91300	SHIELDTEC PLUS FOR DOGS	Permethrin (109701/52645–53–1)—(45%), Pyriproxyfen (129032/95737–68–1)—(5%).
91300–2	91300	ADVENTURE PLUS FOR DOGS	Imidacloprid (129099/138261–41–3)—(9.1%), Pyriproxyfen (129032/95737–68–1)—(.46%).
91300–5	91300	PROMIKA ZOGUARD PLUS FOR DOGS	Fipronil (129121/120068–37–3)—(9.8%), S-Methoprene (105402/65733–16–6)—(8.8%).
91300–6	91300	PROMIKA ZOGUARD PLUS FOR CATS	Fipronil (129121/120068–37–3)—(9.8%), S-Methoprene (105402/65733–16–6)—(11.8%).
91300–8	91300	P111.02 for Cats	Fipronil (129121/120068–37–3)—(9.7%).
91300–9	91300	P111.03 FOR DOGS	Fipronil (129121/120068–37–3)—(9.7%).
91386–1	91386	SALT CARTRIDGE FOR GISELLE	Sodium chloride (013905/7647–14–5)—(99.86%).
91399–2	91399	BIOTAB 7	Sodium chlorite (020502/7758–19–2)—(20%).
91413–2	91413	NOUVEX N950–9010 MASTER BATCH	Pyridine, 4-ethenyl-, polymer with alpha-(2-methyl-1-oxo-2-propen-1-yl)-omega-methyloxypoly(oxo-1,2-ethanediyl), compd. with 1-bromohexane (012309/1471991–40–8)—(30%).
92044–2	92044	CHLOROTHALONIL 720SC	Chlorothalonil (081901/1897–45–6)—(54%).
92044–3	92044	CHLOROTHALONIL 82.5 WDG	Chlorothalonil (081901/1897–45–6)—(82.5%).
92188–5	92188	VISMAX INJECTION	Flg22-Bt Peptide (005001/)—(.0048%).
92583–1	92583	Shift 3.9% Ethephon	Ethephon (099801/16672–87–0)—(3.9%).
92587–1	92587	SURFION ADDITIVE	Cupric oxide (042401/1317–38–0)—(3.19%).
92708–1	92708	Organipeel	Citric acid (021801/77–92–9)—(.66%).
92983–5	92983	PROSTIM AA	Cytokinin (as kinetin) (116801/525–79–1)—(.016%), Indole-3-butyric acid (046701/133–32–4)—(.094%).
94196–3	94196	MY SHIELD HOSPITAL DISINFECTANT	1-Decanaminium, N,N-dimethyl-N-octyl-, chloride (069165/32426–11–2)—(.144%), 1-Decanaminium, N-decyl-N,N-dimethyl-, chloride (069149/7173–51–5)—(.0864%), 1-Octadecanaminium, N,N-dimethyl-N-(3-(trimethoxysilyl)propyl)-, chloride (107401/27668–52–6)—(.792%), 1-Octanaminium, N,N-dimethyl-N-octyl-, chloride (069166/5538–94–3)—(.0576%), Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(.192%), Guanidine, N,N"'-1,6-hexanediylbis-, homopolymer, hydrochloride (128863/87500–57–0)—(.25%).
94196–4	94196	MY SHIELD BROAD SPECTRUM DISINFECTANT.	1-Decanaminium, N,N-dimethyl-N-octyl-, chloride (069165/32426–11–2)—(.3%), 1-Decanaminium, N-decyl-N,N-dimethyl-, chloride (069149/7173–51–5)—(.18%), 1-Octadecanaminium, N,N-dimethyl-N-(3-(trimethoxysilyl)propyl)-, chloride (107401/27668–52–6)—(.792%), 1-Octanaminium, N,N-dimethyl-N-octyl-, chloride (069166/5538–94–3)—(.12%), Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(.4%), Poly(iminoimidocarbonylimino imidocarbonyliminohexamethylene) hydrochloride (111801/32289–58–0)—(.5%).
94499–1	94499	JG5049	Octhilinone (099901/26530–20–1)—(11.22%).
95337–1	95337	Volcano	Citric acid (021801/77–92–9)—(1.5%).
95535–2	95535	VodaGuard O Algaecide	Sodium percarbonate (128860/15630–89–4)—(82.45%).
95550–1	95550	PESTX PEST CONTROL	Boric acid (011001/10043–35–3)—(15.1%).
95566–1	95566	SEMASPORE BAIT	Nosema locustae (117001/)—(.05%).
96048–1	96048	Sanitized Pro	Hypochlorous Acid (129054/7790–92–3)—(.025%).
96274–1	96274	Sanera	Hypochlorous Acid (129054/7790–92–3)—(.06%).
96503–1	96503	OmniSan Anolyte	Hypochlorous Acid (129054/7790–92–3)—(.046%).
96671–1	96671	Zachary Sulfur Dioxide	Sulfur dioxide (077601/7446–09–5)—(100%).
96727–1	96727	Longhorn	Cyanamide (014002/420–04–2)—(50%).
97711–1	97711	Crown Disinfecting Wipes	1-Decanaminium, N-decyl-N, N-dimethyl-, chloride (069149/7173–51–5)—(.13%), Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(.12%).
98343–1	98343	Disinfecting Floor Wipes	Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(.46%).
98433–1	98433	GermStryke 250	Hypochlorous Acid (129054/7790–92–3)—(.025%).
98788–1	98788	JUYUAN Disinfecting Wipes	1-Decanaminium, N-decyl-N, N-dimethyl-, chloride (069149/7173–51–5)—(.16%), Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(.41%).
99407–1	99407	Envirotab	Sodium chlorite (020502/7758–19–2)—(24%).
99503–5	99503	Enviroquat 2D 50e	1-Decanaminium, N-decyl-N, N-dimethyl-, chloride (069149/7173–51–5)—(50%).
99764–1	99764	Everyday Disinfectant	Hypochlorous Acid (129054/7790–92–3)—(.025%).

TABLE 3—REGISTRATIONS TO BE CANCELLED FOR NON-PAYMENT OF 2025 MAINTENANCE FEE—Continued

Registration No.	Company No.	Product name	Active ingredient
100091–1	100091	WaterWise Concentrate Sanitizer Cleaner	Citric acid (021801/77–92–9)—(46.75%).
100368–3	100368	LOW–TEMP SANITIZER	Sodium hypochlorite (014703/7681–52–9)—(5.25%).
100894–1	100894	Prune Master Pruner Treatment	Thymol (080402/89–83–8)—(.051%).
101607–1	101607	Bye Bye Skeeter	Picaridin (070705/119515–38–7)—(20%).
102280–1	102280	SITOFEX Plant Growth Regulator	Forchlorfenuron (128819/68157–60–8)—(.8%).
102563–1	102563	CLETHODIM 2 EC HERBICIDE	Clethodim (121011/99129–21–2)—(26.4%).
102563–2	102563	REBOUND FUNGICIDE	Azoxystrobin (128810/131860–33–8)—(11%), Tebuconazole (128997/107534–96–3)—(18.35%).
AZ231005	70299	SANIDATE 12.0	Ethaneperoxoic acid (063201/79–21–0)—(12%), Hydrogen Peroxide (000595/7722–84–1)—(18.5%).
FL220005	100305	Remedium TI	Oxytetracycline hydrochloride (006308/2058–46–0)—(94.5%).
FL960004	45728	FERBAM GRANUFLO	Ferbam (034801/14484–64–1)—(76%).
MN230002	87865	SPIN–AID HERBICIDE	Phenmedipham (098701/13684–63–4)—(15.9%).
NC130005	45728	METAM CLR 42%	Metam-sodium (039003/137–42–8)—(42%).
ND230001	87865	SPIN–AID HERBICIDE	Phenmedipham (098701/13684–63–4)—(15.9%).
OR210011	91810	ROMEO	Cerevisane (cell walls of Saccharomyces cerevisiae strain LAS117) (100055)—(94.1%).
VA130004	45728	METAM CLR 42%	Metam-sodium (039003/137–42–8)—(42%).
VA130005	45728	METAM KLR 54%	Metam-sodium (039003/137–42–8)—(54%).

Table 4 of Unit III. includes the names and addresses of record for all registrants of the products in Table 3 of Unit III., in sequence by EPA company number. This number corresponds to the first part of the EPA registration numbers of the products listed in this unit.

TABLE 4—REGISTRANTS OF REGISTRATIONS CANCELLED FOR NON-RESPONSE/PAYMENT OF 2025 MAINTENANCE FEE

Company No.	Company name & address
577	THE SHERWIN–WILLIAMS COMPANY, 101 PROSPECT AVE, CLEVELAND, OH 44115–1075.
961	LEBANON SEABOARD CORPORATION, 1600 EAST CUMBERLAND STREET, LEBANON, PA 17042.
2724	WELLMARK INTERNATIONAL, 1501 E WOODFIELD ROAD, SUITE 200 WEST, SCHAUMBURG, IL 60173.
2935	WILBUR–ELLIS COMPANY LLC, 2903 S CEDAR AVE., FRESNO, CA 93725.
4582	COLGATE–PALMOLIVE COMPANY, 300 PARK AVENUE, NEW YORK, NY 10022.
8655	EASTMAN CHEMICAL COMPANY, PO BOX 431, KINGSPORT, TN 37662.
9386	KEMIRA WATER SOLUTIONS, INC., 200 GALLERIA PARKWAY, SUITE 1500, ATLANTA, GA 30339.
9404	VOGEL SEED & FERTILIZER, LLC/FLORIDA DIVISION, 1891 SPRING VALLEY ROAD, JACKSON, WI 53037.
10088	ATHEA LABORATORIES INC, PO BOX 240014, MILWAUKEE, WI 53224.
10900	SHERWIN–WILLIAMS CONSUMER BRANDS GROUP, 101 PROSPECT AVE, CLEVELAND, OH 44115–1075.
11411	LPM MANUFACTURING, INC., 2005 E INDIAN SCHOOL ROAD, PHOENIX, AZ 85016.
23566	INTERNATIONAL PAINT LLC, 6001 ANTOINE DRIVE, HOUSTON, TX 77091.
33427	ACETO US, L.L.C., D/B/A/ACTYLIS, 4 TRI HARBOR COURT, PORT WASHINGTON, NY 110504661.
34688	NOURYON SURFACE CHEMISTRY LLC, 100 MATSONFORD ROAD, BUILDING 5, RADNOR, PA 19087.
36029	WILCO DISTRIBUTORS, INC., 6832 NORTH EL MIRAGE RD., GLENDALE, AZ 85307.
36638	SCENTRY BIOLOGICALS, INC., 610 CENTRAL AVENUE, BILLINGS, MT 59102.
42182	MICROBAN PRODUCTS COMPANY, 11400 VANSTORY DRIVE, HUNTERSVILLE, NC 28078.
43497	PROACTIVE SOLUTIONS USA, LLC, 301 BRIDGE STREET, GREEN BAY, WI 54303.
44446	QUESTSPECIALTY CORPORATION, PO BOX 624, BRENHAM, TX 77834.
45600	INSECTA MARKETING, INC., 29008 BEAUCLAIRE DRIVE, TAVARES, FL 32778.
45728	TAMINCO US LLC, 200 S WILCOX DR., KINGSPORT, TN 376605147.
46149	M&R DURANGO, INC, PO BOX 886, BAYFIELD, CO 81122.
46813	PLZ CORP., 8001 KEELE STREET, VAUGHAN, ONTARIO L4K 1Y8, -.
47265	BOLAN CONSULTING/SHIN–ETSU CHEMICAL CO., LTD., 575 VIEWRIDGE DRIVE, ANGWIN, CA 94508.
52991	BEDOUKIAN RESEARCH INC., 6 COMMERCE DRIVE, DANBURY, CT 06810.
53575	PACIFIC BIOCONTROL CORPORATION, 1831 NW KINGS BLVD, CORVALLIS, OR 97330.
53735	KING TECHNOLOGY INC., 6000 CLEARWATER DR., MINNETONKA, MN 55343.
56228	U.S. DEPARTMENT OF AGRICULTURE, ANIMAL AND PLANT HEALTH INSPECTION SERVICE, 4700 RIVER ROAD, UNIT 149, RIVERDALE, MD 20737.
56336	SUTERRA LLC, 20950 NORTHEAST TALUS PLACE, BEND, OR 97701.
56890	DOHENY'S, LLC, 10411 80TH AVE., PLEASANT PRAIRIE, WI 53158–5811.
61842	TESSENDERLO KERLEY, INC., 2910 N 44TH ST., SUITE 100, PHOENIX, AZ 85018–7272.
62531	INEOS KOH, INC, 3509 MIDDLE ROAD, ASHTABULA, OH 440050858.
62899	FORMAFEED, INC., PO BOX 9, STEWART, MN 55385.
64137	DANSTAR FERMENT AG/LALLEMAND PLANT CARE, APO BOX 990, HAILEY, ID 83333.
64321	REGISTRATIONS BY DESIGN, INC./JESMOND HOLDING AG, PO BOX 1019, SALEM, VA 241531019.
65146	IOFINA CHEMICAL, INC., 1025 MARY LAIDLEY DRIVE, COVINGTON, KY 41017.
65169	IOFINA CHEMICAL, INC., 1025 MARY LAIDLEY DRIVE, COVINGTON, KY 41017.
67979	SYNGENTA SEEDS, LLC—FIELD CROPS—NAFTA, 9 DAVIS DRIVE, RESEARCH TRIANGLE PARK, NC 27709.
68660	SOLVAY CHEMICALS, INC., 1130 INDEPENDENCE PARKWAY, SOUTH, LA PORTE, TX 77571.

TABLE 4—REGISTRANTS OF REGISTRATIONS CANCELLED FOR NON-RESPONSE/PAYMENT OF 2025 MAINTENANCE FEE—Continued

Company No.	Company name & address
68959	VELTEK ASSOCIATES INC., 15 LEE BOULEVARD, MALVERN, PA 193551234.
69117	ARBORSYSTEMS, INC., 10168 L STREET, OMAHA, NE 68127.
69407	ANIMAL DERMATOLOGY LABORATORIES, PO BOX 19097, IRVINE, CA 92623–9097.
69553	ANDERMATT USA CORPORATION, 107 GILBRETH PARKWAY, MULLICA HILL, NJ 08062.
70299	BIOSAFE SYSTEMS, LLC, 22 MEADOW STREET, EAST HARTFORD, CT 06108.
72961	SCL ITALIA S.P.A./EXPONENT, INC., 1150 CONN. AVE. NW, SUITE 1100, WASHINGTON, DC 20036.
73479	SUTERRA LLC, 20950 NORTHEAST TALUS PLACE, BEND, OR 97701.
74468	PROACTIVE, LLC, 10529 HERITAGE BAY BLVD., NAPLES, FL 34120.
74530	HELM AGRO US, INC., 401 E JACKSON ST., SUITE 1600, TAMPA, FL 33602.
74779	RAINBOW TREECARE SCIENTIFIC ADVANCEMENTS, 11571 K–TEL DRIVE, MINNETONKA, MN 55343.
75257	MANNA PRO PRODUCTS, LLC, 707 SPIRIT 40 PARK DR., SUITE 150, ST. LOUIS, MO 63005.
75844	ANDREW M. MARTIN CO., NV INC., 707 SPIRIT 40 PARK DR., SUITE 150, ST. LOUIS, MO 63005.
81899	SOLUNEEM, INC., 7049 REDWOOD BLVD., SUITE 201C, NOVATO, CA 94947.
82012	COPPER DEVELOPMENT ASSOCIATION (CDA), 260 MADISON AVENUE, NEW YORK, NY 10016–2401.
84059	PRO FARM GROUP, INC., 1530 DREW AVE., DAVIS, CA 95618.
85353	WIELAND NORTH AMERICA, INC., 305 LEWIS & CLARK BOULEVARD, EAST ALTON, IL 62024.
85678	REDEAGLE INTERNATIONAL LLC, 5143 S LAKELAND DRIVE, SUITE 4, LAKELAND, FL 33813–2589.
85724	AAKO B.V./LANDIS INTERNATIONAL, INC., 3185 MADISON HIGHWAY, VALDOSTA, GA 31603–5126.
86064	UNITED TURF ALLIANCE, LLC., PO BOX 554, MCFARLAND, WI 53558.
87394	DYNA–GRO, 2775 GIANT ROAD, RICHMOND, CA 94806.
87845	AGROMARKETING CO, INC, 314 ESTATE COURT, MIDLAND, ON L4R 5H2.
87865	BELCHIM CROP PROTECTION US CORPORATION, 225 WILMINGTON WEST CHESTER PIKE, SUITE 200, CHADDS FORD, PA 19317.
87978	AGBITECH PTY LTD/FORSTER & ASSOC. CONSULTING, LLC, PO BOX 4097, GREENVILLE, DE 19807.
88373	INNOVACYN, INC., 3546 N RIVERSIDE AVE., RIALTO, CA 92377.
88746	SOLUTIONS PEST & LAWN, 2739 PASADENA BLVD, PASADENA, TX 77502.
89850	SEMIOSBIO TECHNOLOGIES INC., 22 EAST 5TH AVENUE, SUITE 300, VANCOUVER, BC V5T1G8.
90057	MANNA PRO PRODUCTS, LLC, 707 SPIRIT 40 PARK DR., SUITE 150, ST. LOUIS, MO 63005.
90924	CHAMPIONX, LLC, 11177 S STADIUM DRIVE, SUGAR LAND, TX 77478.
91300	PROMIKA, LLC D/B/A OF MANNA PRO PRODUCTS, 707 SPIRIT 40 PARK DR., SUITE 150, ST. LOUIS, MO 63005.
91810	LESAFFRE YEAST CORPORATION, 7475 W MAIN STREET, MILWAUKEE, WI 53214.
92044	CAC CHEMICAL AMERICAS LLC, 1178 BROADWAY, 3RD FLOOR #3766, NEW YORK, NY 10001.
92188	ELEMENTAL ENZYMES AG AND TURF LLC., 1685 GALT INDUSTRIAL BLVD., SAINT LOUIS, MO 63132.
92708	APEEL SCIENCES, 71 SOUTH LOS CARNEROS ROAD, GOLETA, CA 93117.
92983	SUNTTON INTERNATIONAL INC, 9127 HIGHWAY 431 SOUTH, SUITE C., OWENS CROSS ROADS, AL 35763.
93756	PUROX BRANDS CORP, 5801 E 10TH AVE, SUITE 108, HIALEAH, FL 33013.
95337	GURUNANDA, LLC, 6645 CABALLERO BLV., BUENA PARK, CA 90620.
95535	AMOVODAGUARD INC., 314 ESTATE COURT, MIDLAND, ON L4R5H2.
96727	HERITAGE CROP SCIENCE, LLC, 726 W BARSTOW AVENUE, SUITE 108, FRESNO, CA 93704.
97711	CROWN (YANGZHOU) HEALTH & BEAUTY CO.,/SUPERIOR ELITE SERVICES LLC, L11906 BRITTMOORE PARK DRIVE, HOUSTON, TX 77041.
98343	HANGZHOU JUST CLEAN TECHNOLOGY CO., LTD/REACH24H CONSULTING, 11921 FREEDOM DRIVE, SUITE 550, RESTON, VA 20190.
99503	ENVIRONMENTAL FLUIDS, INC., 4241 N WINFIELD SCOTT PLAZA, SUITE 101, SCOTTSDALE, AZ 85821.
99764	DEAR PLANET LABS, INC., 169 WEST ORANGETHROPE AVENUE, PLACENTIA, CA 92870.
100091	GREENOLOGY PRODUCTS, LLC, 7020 CYNROW BLVD, RALEIGH, NC 27615.
100368	PYROCK CHEMICAL, 2110 RANCH ROAD 620 S, UNIT 342712, LAKEWAY, TX 78734.
100894	BGREEN, INC., 72877 DINAH SHORE DRIVE, SUITE 103, RANCHO MIRAGE, CA 92270.
102280	ALZCHEM LLC, 11390 OLD ROSWELL ROAD, SUITE 124, ALPHARETTA, X 30009.

IV. Procedures for Withdrawal of Request

Registrants who choose to withdraw a request for cancellation should submit such withdrawal in writing to the person listed under **FOR FURTHER INFORMATION CONTACT**. If the products have been subject to a previous cancellation action, the effective date of cancellation and all other provisions of any earlier cancellation action are controlling.

V. Provisions for Disposition of Existing Stocks

Existing stocks are those stocks of registered pesticide products which are currently in the United States, and which were packaged, labeled, and released for shipment prior to the effective date of the cancellation action. Upon cancellation of the products identified in Table 1 of Unit III., EPA anticipates allowing registrants to sell and distribute existing stocks of these products until January 15, 2026, or the date that the cancellation notice is published in the **Federal Register**, whichever is later. Thereafter, registrants will be prohibited from selling or distributing the pesticides identified in Table 1 of Unit III., except for export consistent with FIFRA section 17 or for proper disposal. Persons other than registrants will generally be allowed to sell, distribute, or use existing stocks until such stocks are exhausted, provided that such sale, distribution, or use is consistent with the terms of the previously approved labeling on, or that accompanied, the canceled products.

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

Dated: August 1, 2025.

Jennifer Saunders,

Acting Director, Registration Division, Office of Pesticide Programs.

[FR Doc. 2025–14810 Filed 8–4–25; 8:45 am]

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ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OPP–2025–0029; FRL–12719–01–OCSPP]

Pesticides; Notice of Receipt of Requests To Voluntarily Cancel Certain Pesticide Registrations and/or Amend Registrations To Terminate Certain Uses (April 2025)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: In accordance with the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), EPA is issuing a notice of receipt of and soliciting comments on requests by the registrants to voluntarily cancel their registrations of certain products and/or to amend their product registrations to terminate one or more uses. EPA intends to grant these requests at the close of the comment period for this announcement unless the Agency receives substantive comments within the comment period that would merit further review of the requests, or the registrants withdraw their requests. If these requests are granted, EPA will issue an order in the **Federal Register** cancelling the listed product registrations, after which any sale, distribution, or use of the products listed in this document will be permitted after the registrations have been cancelled only if such sale, distribution, or use is consistent with the terms as described in the final order. Note that the month and year provided in the title are intended to help distinguish this document from other documents with the same title. This document identifies those requests that were received after the last notice of receipt was issued and are currently under review by EPA.

DATES: Comments and withdrawal requests must be received on or before September 4, 2025.

ADDRESSES: Submit your comments, identified by docket identification (ID) number EPA–HQ–OPP–2025–0029, online at *https://www.regulations.gov.* Follow the online instructions for submitting comments. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Additional instructions on commenting and visiting the docket, along with more information about dockets generally, is available at *https://www.epa.gov/dockets.*

FOR FURTHER INFORMATION CONTACT: Christopher Green, Registration Division (7505T), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460–0001; telephone number: (202) 566–2707; email address: *green.christopher@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. Executive Summary

A. Does this action apply to me?

This action is directed to the public and may be of interest to a wide range of stakeholders including environmental, human health, and agricultural advocates; the chemical industry; pesticide users; and members of the public interested in the sale, distribution, or use of pesticides.

B. What action is the Agency taking?

This document announces receipt by EPA of requests from registrants to voluntarily cancel their pesticide registrations listed in Tables 1 and 2 of Unit II., that are currently registered under FIFRA section 3 (7 U.S.C. 136a) or section 24(c) (7 U.S.C. 136v(c)). Unless the Agency determines that there are substantive comments that warrant further review of the requests or the registrants withdraw their requests, EPA intends to issue an order in the **Federal Register** canceling the affected registrations.

C. What is the authority for taking this action?

FIFRA section 6(f)(1) (7 U.S.C. 136d(f)(1)) provides that a registrant of a pesticide product may at any time request that any of its pesticide registrations be canceled. Before acting on a request for voluntary cancellation, EPA must provide at least 30-day public comment period on the request. FIFRA further provides that, before acting on a request for voluntary cancellation or termination of any minor agricultural use, EPA must provide a 180-day comment period unless:

1. The registrants request a waiver of the comment period, or

2. The EPA Administrator determines that continued use of the pesticide would pose an unreasonable adverse effect on the environment.

The registrants in Table 3 of Unit II., have requested that EPA waive the 180-day comment period. Accordingly, this document provides a 30-day comment period on these requests.

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

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

2. *Tips for preparing your comments.* When preparing and submitting your comments, see the commenting tips at *http://www.epa.gov/dockets/comments.html.*

E. How can a registrant withdraw their request for voluntary cancellation?

Registrants who choose to withdraw their request for voluntary cancellation should submit a withdrawal request in writing to the person listed under **FOR FURTHER INFORMATION CONTACT**. If the products have been subject to a previous cancellation action, the effective date of cancellation and all other provisions of any earlier cancellation action are controlling.

II. Requests To Voluntarily Cancel Certain Registrations

The registrations with pending voluntary requests for cancellation are listed in sequence by registration number (or company number and 24(c) number) in tables 1 and 1A of this unit.

TABLE 1—PRODUCT REGISTRATIONS WITH PENDING REQUESTS FOR CANCELLATION

Registration No.	Company No.	Product name	Active ingredients
228–393	228	Riverdale Resound 90DF	Chlorothalonil (081901/1897–45–6)—(90%).
228–601	228	Nufarm CTN 82.5	Chlorothalonil (081901/1897–45–6)—(82.5%).
961–277	961	Lebanon Turf Fungicide Contains Daconil	Chlorothalonil (081901/1897–45–6)—(5%).

TABLE 1—PRODUCT REGISTRATIONS WITH PENDING REQUESTS FOR CANCELLATION—Continued

Registration No.	Company No.	Product name	Active ingredients
1381–222	1381	Thiophanate-Methyl 45% F Fungicide	Thiophanate-methyl (102001/23564–05–8)—(46.2%).
4959–46	4959	Bio Hatch	1-Decanaminium, N-decyl-N,N-dimethyl-, chloride (069149/7173–51–5)—(7.5%).
5905–472	5905	Helena Bravo S	Chlorothalonil (081901/1897–45–6)—(19.15%), Sulfur (077501/7704–34–9)—(27.25%).
5905–527	5905	Chlorothalonil 90 D	Chlorothalonil (081901/1897–45–6)—(90%).
5905–601	5905	Omni Brand Chlorothalonil	Chlorothalonil (081901/1897–45–6)—(54%).
7969–33	7969	Luprosil	Propionic acid (077702/79–09–4)—(99.9%).
9779–270	9779	Chlorothalonil 4L	Chlorothalonil (081901/1897–45–6)—(40.4%).
9779–280	9779	Chlorothalonil 90 DF	Chlorothalonil (081901/1897–45–6)—(90%).
9779–320	9779	Terranil 6L	Chlorothalonil (081901/1897–45–6)—(54%).
9779–333	9779	Terranil ZN	Chlorothalonil (081901/1897–45–6)—(38.5%).
46149–1	46149	Nolo BB Concentrate	Nosema locustae (117001/)—(.1%).
46149–2	46149	Nolo Bait	Nosema locustae Canning LM (117002/)—(.05%).
53053–26	53053	Envirosystems Proshield 3651 I	1-Decanaminium, N,N-dimethyl-N-octyl-, chloride (069165/32426–11–2)—(4.8%), 1-Decanaminium, N-decyl-N,N-dimethyl-, chloride (069149/7173–51–5)—(2.88%), 1-Octadecanaminium, N,N-dimethyl-N-(3-(trimethoxysilyl)propyl)-, chloride (107401/27668–52–6)—(35.6%), 1-Octanaminium, N,N-dimethyl-N-octyl-, chloride (069166/5538–94–3)—(1.92%), Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(6.4%).
53053–27	53053	Envirosystems Proshield 3651 D	1-Decanaminium, N,N-dimethyl-N-octyl-, chloride (069165/32426–11–2)—(4.8%), 1-Decanaminium, N-decyl-N,N-dimethyl-, chloride (069149/7173–51–5)—(2.88%), 1-Octadecanaminium, N,N-dimethyl-N-(3-(trimethoxysilyl)propyl)-, chloride (107401/27668–52–6)—(35.6%), 1-Octanaminium, N,N-dimethyl-N-octyl-, chloride (069166/5538–94–3)—(1.92%), Alkyl* dimethyl benzyl ammonium chloride *(50%C14, 40%C12, 10%C16) (069105/68424–85–1)—(6.4%).
71711–24	71711	NAI–301 4 SE Fungicide	Chlorothalonil (081901/1897–45–6)—(21.65%), Flutolanil (128975/66332–96–5)—(17.2%), Propiconazole (122101/60207–90–1)—(1.8%).
91861–2	91861	Bona STL Disinfecting Cleaner	Hydrogen peroxide (000595/7722–84–1)—(.97%).
AL–040001	95290	Curfew	Telone (029001/542–75–6)—(97.5%).
AL–170003	62719	Enlist Duo	2,4–D, choline salt (051505/1048373–72–3)—(24.4%), Glyphosate, dimethylammonium salt (103608/34494–04–7)—(22.1%).
AL–170005	62719	GF–3335	2,4–D, choline salt (051505/1048373–72–3)—(55.7%).
AL–170007	62719	GF–3335	2,4–D, choline salt (051505/1048373–72–3)—(55.7%).
IN–190001	9779	Moxy 2E	Bromoxynil octanoate (035302/1689–99–2)—(33.4%).
OR–070005	5481	Tre Hold Sprout Inhibitor	Ethyl 1-naphthaleneacetate (056008/2122–70–5)—(1.15%).
OR–110008	70506	ARY 0454–105 Suspension Concentrate Herbicide	Flucarbazone-sodium (114009/181274–17–9)—(35%).
OR–150002	71368	Cheetah Herbicide	Glufosinate (128850/77182–82–2)—(24.5%).
OR–190003	70506	Vitaflo 280	Carboxin (090201/5234–68–4)—(15.59%), Thiram (079801/137–26–8)—(13.25%).
OR–190005	62562	Sulphur W.G	Sulfur (077501/7704–34–9)—(80%).
OR–210011	91810	Romeo	Cerevisane (cell walls of Saccharomyces cerevisiae strain LAS117) (100055/)—(94.1%).
WA–130002	61842	Linex 4L Herbicide	Linuron (035506/330–55–2)—(40.6%).

The registrant of the products listed in Table 1A of this unit have requested 18-months to sell existing stocks of those products.

TABLE 1A—PRODUCT REGISTRATIONS WITH PENDING REQUESTS FOR CANCELLATION, CONT'D

Registration No.	Company No.	Product name	Active ingredients
70506–271	70506	Pegasus 82.5 DF	Chlorothalonil (081901/1897–45–6)—(82.5%).
70506–273	70506	Pegasus HPX	Chlorothalonil (081901/1897–45–6)—(54%).
70506–563	70506	Royal MH–30	Maleic hydrazide, potassium salt (051503/28382–15–2)—(21.7%).
70506–565	70506	Royal Slo-Gro	Maleic hydrazide, potassium salt (051503/28382–15–2)—(21.7%).
70506–568	70506	Royal MH–30 SG	Maleic hydrazide, potassium salt (051503/28382–15–2)—(80%).
70506–576	70506	Royal MH–30 Xtra	Maleic hydrazide, potassium salt (051503/28382–15–2)—(30.3%).

The registrations with pending voluntary requests for amendments are listed in sequence by registration number (or company number and 24(c) number) in Table 2 of this unit.

TABLE 2—PRODUCT REGISTRATIONS WITH PENDING REQUESTS FOR AMENDMENT

Registration No.	Company No.	Product name	Active ingredient	Uses to be terminated
1021–343	1021	Pyrocide Intermediate 75–OF.	Piperonyl butoxide (067501/51–03–6)—(75%), Pyrethrins (069001/8003–34–7)—(7.5%).	Human Articles uses.

TABLE 2—PRODUCT REGISTRATIONS WITH PENDING REQUESTS FOR AMENDMENT—Continued

Registration No.	Company No.	Product name	Active ingredient	Uses to be terminated
1021–1599	1021	Evercide Pressurised Pet and Plant Spray 2561.	Permethrin (109701/52645–53–1)—(.05%), Pyrethrins (069001/8003–34–7)—(.056%).	Cat uses.
2749–576	2749	Propargite Technical	Propargite (097601/2312–35–8)—(93.58%).	Use on ornamental plants.
2749–577	2749	Miteo Max II	Propargite (097601/2312–35–8)—(67.76%).	Use on ornamental plants.
2749–578	2749	Miteo Max 6EC	Propargite (097601/2312–35–8)—(67.76%).	Use on ornamental plants.
2749–579	2749	Miteo Max II EC	Propargite (097601/2312–35–8)—(67.76%).	Use on ornamental plants.
9688–314	9688	Chemsico Insecticide RTU CG.	Alkyl* dimethyl benzyl ammonium chloride *(60%C14, 30%C16, 5%C18, 5%C12) (069104/53516–76–0)—(.105%), Alkyl* dimethyl ethylbenzyl ammonium chloride *(68%C12, 32%C14) (069154/85409–23–0)—(.105%), Cypermethrin (109702/52315–07–8)—(.2%).	Outdoor conventional uses.
34704–1132	34704	Mitey	Propargite (097601/2312–35–8)—(69.6%).	Ornamental Herbaceous Plants. Ornamental Conifers. Ornamental field and nursery use. Use on Christmas trees and conifers grown in containers. Use on non-bearing crops grown in containers.
70506–564	70506	Omite–6E	Propargite (097601/2312–35–8)—(69.2%).	Use on ornamental plants.
70506–566	70506	Comite	Propargite (097601/2312–35–8)—(73.6%).	Use on ornamental plants.
70506–572	70506	Omite–30WS	Propargite (097601/2312–35–8)—(32%)	Use on ornamental plants.
70506–590	70506	Omite 30W	Propargite (097601/2312–35–8)—(32%)	Use on ornamental plants.
87373–104	87373	E117.01	Propargite (097601/2312–35–8)—(69.6%).	Ornamental uses.
91234–33	91234	A117.02	Propargite (097601/2312–35–8)—(69.6%).	Ornamental uses.
91813–91	91813	Omite Technical	Propargite (097601/2312–35–8)—(90.6%).	Use on ornamental plants.
93930–72	93930	Avalaire Propargite	Propargite (097601/2312–35–8)—(69.6%).	Ornamental uses.
103050–4	103050	Zen Propargite Technical.	Propargite (097601/2312–35–8)—(91.5%).	Ornamental uses.

The name and address of record for the requesting registrants are listed in sequence by EPA company number in Table 3 of this unit. The company number corresponds to the first part of the EPA registration numbers of the products listed in Tables 1, 1A, and 2 of this unit.

TABLE 3—REGISTRANTS REQUESTING VOLUNTARY CANCELLATION AND/OR AMENDMENTS

Company No.	Company name and address
228	Nufarm Americas, Inc., 4000 Aerial Center Pkwy., Suite 101, Morrisville, NC 27560.
961	Lebanon Seaboard Corporation, 1600 East Cumberland Street, Lebanon, PA 17042.
1021	McLaughlin Gormley King Company, D/B/A MGK, 7325 Aspen Lane N, Minneapolis, MN 55428.
1381	Winfield Solutions, LLC, P.O. Box 64589, St. Paul, MN 55164–0589.
2749	Aceto Life Sciences, L.L.C., D/B/A Actylis, Agent Name: Product & Regulatory Associates, LLC, 8595 Collier Blvd., Suite 107–51, Naples, FL 34114.
4959	West Agro, Inc., 11100 N. Congress Ave., Kansas City, MO 64153.
5481	AMVAC Chemical Corporation, 4695 MacArthur Court, Suite 1200, Newport Beach, CA 92660–1706.
5905	Helena Agri-Enterprises, LLC, D/B/A Helena Chemical Comp, 225 Schilling Blvd., Suite 300, Collierville, TN 38017.
7969	BASF Agricultural Solutions US, LLC, 2 TW Alexander Drive, Research Triangle Park, NC 27713.
9688	Chemsico, A Division of United Industries Corp., P.O. Box 142642, St Louis, MO 63114–0642.
9779	Winfield Solutions, LLC, P.O. Box 64589, St. Paul, MN 55164–0589.
34704	Loveland Products, Inc., Agent Name: Pyxis Regulatory Consulting, Inc., 4110 136th Street Ct. NW, Gig Habor, WA 98332.
46149	M&R Durango, Inc., P.O. Box 886, Bayfield, CO 81122.
53053	Novalent, Ltd., Agent Name: Scientific & Regulatory Consultants, Inc., 210 W. Van Buren St., Columbia City, IN 46725.
61842	Tessenderlo Kerley, Inc., Agent Name: Pyxis Regulatory Consulting, Inc., 535 Dock Street, Suite 211, Tacoma, WA 98402.
62562	Quimetal Industrial S.A., Agent Name: Lewis & Harrison, LLC, 2461 South Clark Street, Suite 710, Arlington, VA 22202.
62719	Corteva Agriscience, LLC, 9330 Zionsville Road, Indianapolis, IN 46268.
70506	UPL NA, Inc., P.O. Box 12219, Research Triangle Park, NC 27709.
71368	NuFarm, Inc., Agent Name: NuFarm Americas, Inc., 4000 Aerial Center Parkway, Suite 101, Morrisville, NC 27560.
71711	Nichino America, Inc., 4550 Linden Hill Road, Suite 501, Wilmington, DE 19808.
87373	Argite, LLC, Agent Name: Pyxis Regulatory Consulting, Inc., 535 Dock Street, Suite 211, Tacoma, WA 98402.

TABLE 3—REGISTRANTS REQUESTING VOLUNTARY CANCELLATION AND/OR AMENDMENTS—Continued

Company No.	Company name and address
91234	Atticus, LLC, Agent Name: Pyxis Regulatory Consulting, Inc., 535 Dock Street, Suite 211, Tacoma, WA 98402.
91810	Lesaffre Yeast Corporation, Agent Name: Wagner Regulatory Associates, Inc., 7217 Lancaster Pike, Suite A, P.O. Box 640, Hockessin, DE 19707–0640.
91813	UPL Delaware, Inc., P.O. Box 12219, Research Triangle Park, NC 27709.
91861	Bonakemi USA, Inc. (DBA Bona US), 24 Inverness Place East, Englewood, CO 80112.
93930	Avalaire, LLC, 1705 Towanda Ave., Bloomington, IL 61701.
95290	Salt Lake Holding, LLC, 2211 H.H. Dow Way, Midland, MI 48674.
103050	Zenavis, LLC, Agent Name: Pyxis Regulatory Consulting, Inc., 535 Dock Street, Suite 211, Tacoma, WA 98402.

III. Provisions for Disposition of Existing Stocks

Existing stocks are those stocks of registered pesticide products that are currently in the United States and that were packaged, labeled, and released for shipment prior to the effective date of the action. If the requests for voluntary cancellation and/or amendments to terminate uses are granted, the Agency intends to publish the cancellation order in the **Federal Register**.

In any order issued in response to these requests, EPA anticipates including the following provisions for the treatment of any existing stocks of the products listed in Unit II.

For voluntary product cancellations listed in Table 1 of Unit II., registrants will be permitted to sell and distribute existing stocks of voluntarily canceled products for 1 year after the effective date of the cancellation, which will be the date of publication of the cancellation order in the **Federal Register**. Thereafter, registrants will be prohibited from selling or distributing the products identified in Table 1 of Unit II., except for export consistent with FIFRA section 17 (7 U.S.C. 136o) or for proper disposal.

For those products identified in Table 1A of Unit II., the registrant has requested 18-months after the date of publication of the cancelation order in the **Federal Register** to sell existing stocks. Thereafter, the registrant will be prohibited from selling or distributing the products identified in Table 1A of Unit II., except for export consistent with FIFRA section 17 (7 U.S.C. 136o) or for proper disposal.

Once EPA has approved labels for the products listed in Table 2 of Unit II., (amended to reflect the requested amendments to terminate uses), registrants will be permitted to sell or distribute products under the previously approved labeling for a period of 18 months after the date of publication of the cancelation order in the **Federal Register**, unless other restrictions have been imposed. Thereafter, registrants will be prohibited from selling or distributing the products whose labels include the terminated uses identified in Table 2 of Unit II., except for export consistent with FIFRA section 17 (7 U.S.C. 136o) or for proper disposal.

Persons other than the registrant will generally be allowed to sell, distribute, or use existing stocks of canceled products and/or products whose labels include the terminated uses until supplies are exhausted, provided that such sale, distribution, or use is consistent with the terms of the previously approved labeling on, or that accompanied, the canceled products and/or terminated uses.

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

Dated: July 31, 2025.

Charles Smith,

Director, Registration Division, Office of Pesticide Programs.

[FR Doc. 2025–14817 Filed 8–4–25; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL COMMUNICATIONS COMMISSION

[OMB 3060–0057; FR ID 306289]

Information Collection Being Submitted for Review and Approval to Office of Management and Budget

AGENCY: Federal Communications Commission.

ACTION: Notice and request for comments.

SUMMARY: As part of its continuing effort to reduce paperwork burdens, as required by the Paperwork Reduction Act (PRA) of 1995, the Federal Communications Commission (FCC or the Commission) invites the general public and other Federal Agencies to take this opportunity to comment on the following information collection. Pursuant to the Small Business Paperwork Relief Act of 2002, the FCC seeks specific comment on how it might ''further reduce the information collection burden for small business concerns with fewer than 25 employees.''

The Commission may not conduct or sponsor a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the PRA that does not display a valid OMB control number.

DATES: Written comments and recommendations for the proposed information collection should be submitted on or before September 4, 2025.

ADDRESSES: Comments should be sent to *www.reginfo.gov/public/do/PRAMain.* Find this particular information collection by selecting ''Currently under 30-day Review—Open for Public Comments'' or by using the search function. Your comment must be submitted into *www.reginfo.gov* per the above instructions for it to be considered. In addition to submitting in *www.reginfo.gov* also send a copy of your comment on the proposed information collection to Nicole Ongele, FCC, via email to *PRA@fcc.gov* and to *Nicole.Ongele@fcc.gov.* Include in the comments the OMB control number as shown in the **SUPPLEMENTARY INFORMATION** below.

FOR FURTHER INFORMATION CONTACT: For additional information or copies of the information collection, contact Nicole Ongele at (202) 418–2991. To view a copy of this information collection request (ICR) submitted to OMB: (1) go to the web page *http://www.reginfo.gov/public/do/PRAMain,* (2) look for the section of the web page called ''Currently Under Review,'' (3) click on the downward-pointing arrow in the ''Select Agency'' box below the ''Currently Under Review'' heading, (4) select ''Federal Communications Commission'' from the list of agencies presented in the ''Select Agency'' box, (5) click the ''Submit'' button to the right of the ''Select Agency'' box, (6) when the list of FCC ICRs currently under review appears, look for the Title of this ICR and then click on the ICR Reference Number. A copy of the FCC submission to OMB will be displayed.

SUPPLEMENTARY INFORMATION: As part of its continuing effort to reduce paperwork burdens, as required by the

Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501–3520), the FCC invited the general public and other Federal Agencies to take this opportunity to comment on the following information collection. Comments are requested concerning: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (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 the respondents, including the use of automated collection techniques or other forms of information technology. Pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198, see 44 U.S.C. 3506(c)(4), the FCC seeks specific comment on how it might further reduce the information collection burden for small business concerns with fewer than 25 employees.

OMB Control Number: 3060–0057.

Title: Application for Equipment Authorization, FCC Form 731.

Form Number: FCC Form 731.

Type of Review: Revision of a currently approved collection.

Respondents: Business or other for-profit.

Number of Respondents and Responses: 11,305 respondents; 24,893 responses.

Estimated Time per Response: 40 hours.

Frequency of Response: On occasion and ongoing reporting requirements and third party disclosure requirements.

Obligation to Respond: Required to obtain or retain benefits. Statutory authority for this information collection is contained in 47 U.S.C. 1, 4, 4(i), 301, 302a, 303, 307, 309(j), 310, 312, and 316 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154, 154(i), 301, 302a, 303, 307, 309(j), 310, 312, 316, and the Secure Equipment Act of 2021, Pub. L. 117–55, 135 Stat. 423.

Total Annual Burden: 207,068 hours.

Total Annual Cost: $50,215,140.

Needs and Uses: The Commission will submit this revised information collection to the Office of Management and Budget (OMB) after this 60 day comment period in order to obtain OMB's full three year clearance.

On August 29, 2024, the Commission released a Report and Order, WT Docket No. 22–323, *Spectrum Rules and Policies for the Operation of Unmanned Aircraft Systems,* FCC 24–91 (90 FR 1380, January 8, 2025). Among the adopted rules intended to enable uncrewed aircraft systems (UAS) operators to access dedicated, reliable spectrum in the 5030–5091 MHz band to support safety-of-flight, control-related communications, while also allowing flexibility for the industry to further develop, the Commission added new rules in 47 CFR part 88 and revised Form 731, the Application for Equipment Authority. These new rules provide a critical first step to promote access by UAS operators to dedicated spectrum, while also allowing a consensus to emerge on key issues for this industry.

These new rules resulting in revisions to the information collection are as follows:

§ 88.111 Certification Required

Each transmitter utilized for operation under this part and each transmitter marketed as set forth in § 2.803 of this chapter must be certified by the Commission for use in part 88 services following the procedures set forth in part 2, subpart J of this chapter.

§ 88.113 Authorization of Equipment

An applicant for certification of equipment intended for transmission in the 5030–5091 MHz band must notify the FAA of the filing of a certification application. The letter of notification must be mailed to: Federal Aviation Administration (FAA), Spectrum Engineering Service Group, AJW–1900, 800 Independence Ave. SW, Washington, DC 20591 prior to the filing of the application with the Commission.

(a) The notification letter must describe the equipment, and give the manufacturer's identification, antenna characteristics, rated output power, emission type and characteristics, the frequency or frequencies of operation, and essential receiver characteristics if protection is required.

(b) The certification application must include a copy of the notification letter to the FAA. The Commission will not act until it receives the FAA's determination regarding whether it objects to the application for equipment authorization. The FAA should mail its determination to: Office of Engineering and Technology Laboratory Division, Equipment Authorization and Compliance Branch, 7435 Oakland Mills Rd., Columbia, MD 21046. The Commission will consider the FAA determination before taking final action on the application.

§ 88.115 RF Safety

Licensees and manufacturers are subject to the radio frequency radiation exposure requirements specified in §§ 1.1307(b), 1.1310, 2.1091, and 2.1093 of this chapter, as appropriate. Applications for equipment authorization of mobile or portable devices operating under this section must contain a statement confirming compliance with these requirements for both fundamental emissions and unwanted emissions and technical information showing the basis for this statement must be submitted to the Commission upon request.

Federal Communications Commission.

Marlene Dortch,

Secretary, Office of the Secretary.

[FR Doc. 2025–14734 Filed 8–4–25; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL

[Docket No. AS25–08]

Appraisal Subcommittee; Notice Of Meeting

AGENCY: Appraisal Subcommittee of the Federal Financial Institutions Examination Council

ACTION: Notice of special closed meeting

Description: In accordance with section 1104(b) of title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, codified at 12 U.S.C. 3333(b), and the Appraisal Subcommittee (ASC) Rules of Operation, notice is hereby given that the ASC met for a Special Closed Meeting on these dates.

Location: Virtual meeting via Teams.

Date: April 24, 2025.

Time: 10:02 a.m. ET.

Location: Virtual meeting via Teams.

Date: July 14, 2025.

Time: 1:01 p.m. ET.

Action and Discussion Item

Personnel Matter

The ASC convened a Special Closed Meeting on the dates listed above to discuss a personnel matter pursuant to section 1104(b) of title XI (12 U.S.C. 3333(b)). No action was taken by the ASC.

Loretta Schuster,

Management & Program Analyst.

[FR Doc. 2025–14749 Filed 8–4–25; 8:45 am]

BILLING CODE 6700–01–P

FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL

[Docket No. AS25–09]

Appraisal Subcommittee; Notice of Meeting

AGENCY: Appraisal Subcommittee of the Federal Financial Institutions Examination Council.

ACTION: Notice of special closed meeting.

Description: In accordance with section 1104(b) of title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, codified at 12 U.S.C. 3333(b), and the Appraisal Subcommittee (ASC) Rules of Operation, notice is hereby given that the ASC met for a Special Closed Meeting on July 23, 2025.

Location: Virtual Meeting via MS Teams

Date: July 23, 2025

Time: 11:00 a.m. ET

Action and Discussion Item

Personnel Matter

The ASC convened a Special Closed Meeting to discuss and take a vote on a personnel matter, pursuant to section 1104(b) of title XI (12 U.S.C. 3333(b)).

Loretta Schuster,

Management & Program Analyst.

[FR Doc. 2025–14750 Filed 8–4–25; 8:45 am]

BILLING CODE 6700–01–P

FEDERAL MARITIME COMMISSION

Notice of Agreements Filed

The Commission hereby gives notice of the filing of the following agreement under the Shipping Act of 1984. Interested parties may submit comments, relevant information, or documents regarding the agreement to the Secretary by email at *Secretary@fmc.gov,* or by mail, Federal Maritime Commission, 800 North Capitol Street, Washington, DC 20573. Comments will be most helpful to the Commission if received within 12 days of the date this notice appears in the **Federal Register**, and the Commission requests that comments be submitted within 7 days on agreements that request expedited review. Copies of the agreement are available through the Commission's website (*www.fmc.gov*) or by contacting the Office of General Counsel at (202)-523–5740 or *GeneralCounsel@fmc.gov.*

Agreement No.: 012290–002.

Agreement Name: Crowley/King Ocean Space Charter and Sailing Agreement—Northern Zone.

Parties: Crowley Latin America Services, LLC; and King Ocean Services Limited, Inc.

Filing Party: Wayne Rohde, Cozen O'Connor.

Synopsis: The Amendment revises the amount of space being chartered, and updates the address of King Ocean.

Proposed Effective Date: 9/14/2025.

Location: https://www2.fmc.gov/FMC.Agreements.Web/Public/AgreementHistory/148.

Dated: August 1, 2025.

Jennifer Everling,

Assistant Secretary.

[FR Doc. 2025–14819 Filed 8–4–25; 8:45 am]

BILLING CODE 6730–02–P

FEDERAL MARITIME COMMISSION

[Docket No. 25–15]

Worldwide Nexus Logistics, LLC, Complainant v. Wallenius Wilhelmsen, Respondent; Notice of Filing of Complaint and Assignment

Notice is given that a complaint has been filed with the Federal Maritime Commission (the ''Commission'') by Worldwide Nexus Logistics, LLC (the ''Complainant'') against Wallenius Wilhelmsen (the ''Respondent''). Complainant states that the Commission has subject-matter jurisdiction over the complaint pursuant to 46 U.S.C. 41301 and 41302, and personal jurisdiction over Respondent pursuant to 46 U.S.C. 41304.

Complainant is a logistics provider existing under the laws of the state of Florida with its principal place of business in Doral, Florida.

Complainant identifies Respondent as a common carrier, as defined in 46 U.S.C. 40102(7), with a business address in Parsippany, New Jersey.

Complainant alleges that Respondent violated 46 U.S.C. 41102(c). Complainant alleges these violations arose from Respondent's responsibility and subsequent failure to timely submit required in-transit documentation for a shipment contracted by Complainant, withdrawal of an already-offered settlement agreement, and other acts or omissions by Respondent.

An answer to the complaint must be filed with the Commission within 25 days after the date of service.

The full text of the complaint can be found in the Commission's electronic Reading Room at *https://www2.fmc.gov/readingroom/proceeding/25-15/.* This proceeding has been assigned to the Office of Administrative Law Judges. The initial decision of the presiding judge shall be issued by August 1, 2026, and the final decision of the Commission shall be issued by February 16, 2027.

(Authority: 46 U.S.C. 41301; 46 CFR 502.61(c))

Served: August 1, 2025.

Jennifer Everling,

Assistant Secretary.

[FR Doc. 2025–14818 Filed 8–4–25; 8:45 am]

BILLING CODE 6730–02–P

FEDERAL RESERVE SYSTEM

Change in Bank Control Notices; Acquisitions of Shares of a Bank or Bank Holding Company

The notificants listed below have applied under the Change in Bank Control Act (Act) (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire shares of a bank or bank holding company. The factors that are considered in acting on the applications are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The public portions of the applications listed below, as well as other related filings required by the Board, if any, are available for immediate inspection at the Federal Reserve Bank(s) indicated below and at the offices of the Board of Governors. This information may also be obtained on an expedited basis, upon request, by contacting the appropriate Federal Reserve Bank and from the Board's Freedom of Information Office at *https://www.federalreserve.gov/foia/request.htm.* Interested persons may express their views in writing on the standards enumerated in paragraph 7 of the Act.

Comments received are subject to public disclosure. In general, comments received will be made available without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would not be appropriate for public disclosure.

Comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors, Ann E. Misback, Secretary of the Board, 20th Street and Constitution Avenue NW, Washington, DC 20551–0001, not later than August 20, 2025.

A. Federal Reserve Bank of Chicago (Colette A. Fried, Assistant Vice President) 230 South LaSalle Street, Chicago, Illinois 60690–1414. Comments can also be sent

electronically to *Comments.applications@chi.frb.org:*

1. *Donna W. Loundy Revocable Trust dated December 31, 2012, Donna Loundy, as trustee, both of Glenview, Illinois; Joseph G. Loundy Trust, Joseph Loundy, as trustee, both of Chicago, Illinois; Daniel Loundy Revocable Trust, Daniel Loundy, as trustee, both of Ingleside, Illinois; Alexander Loundy and Samuel Loundy, both of Glencoe, Illinois; Ari Loundy and Irving Loundy, both of Chicago, Illinois; Ronen Loundy, Kenosha, Wisconsin; Elan Loundy, Boulder, Colorado; LFI Glenview, LLC, Glenview, Illinois; and David J. Loundy Discretionary Trust, David J. Loundy T/O/D to Christina King Loundy Trust, and David J. Loundy Trust, all with David Loundy as trustee, all of Glencoe, Illinois;* as a group acting in concert, to retain voting shares of Devon Bancorp, Inc., and thereby indirectly retain voting shares of Devon Bank, both of Chicago, Illinois.

Board of Governors of the Federal Reserve System.

Erin Cayce,

Assistant Secretary of the Board.

[FR Doc. 2025–14813 Filed 8–4–25; 8:45 am]

BILLING CODE 6210–01–P

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The public portions of the applications listed below, as well as other related filings required by the Board, if any, are available for immediate inspection at the Federal Reserve Bank(s) indicated below and at the offices of the Board of Governors. This information may also be obtained on an expedited basis, upon request, by contacting the appropriate Federal Reserve Bank and from the Board's Freedom of Information Office at *https://www.federalreserve.gov/foia/request.htm.* Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)).

Comments received are subject to public disclosure. In general, comments received will be made available without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would not be appropriate for public disclosure.

Comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors, Ann E. Misback, Secretary of the Board, 20th Street and Constitution Avenue NW, Washington, DC 20551–0001, not later than September 4, 2025.

A. Federal Reserve Bank of Minneapolis (Mark Nagle, Assistant Vice President) 90 Hennepin Avenue, Minneapolis, Minnesota 55480–0291. Comments can also be sent electronically to *MA@mpls.frb.org:*

1. *Bank Forward Employee Stock Ownership Plan and Trust, Fargo, North Dakota;* to acquire up to 45.45 percent of the voting shares of Security State Bank Holding Company, and thereby indirectly acquire voting shares of Bank Forward, both of Fargo, North Dakota.

Board of Governors of the Federal Reserve System.

Erin Cayce,

Assistant Secretary of the Board.

[FR Doc. 2025–14812 Filed 8–4–25; 8:45 am]

BILLING CODE P

FEDERAL RESERVE SYSTEM

Notice of Proposals To Engage in or To Acquire Companies Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR part 225) to engage de novo, or to acquire or control voting securities or assets of a company, including the companies listed below, that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.28 of Regulation Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

The public portions of the applications listed below, as well as other related filings required by the Board, if any, are available for immediate inspection at the Federal Reserve Bank(s) indicated below and at the offices of the Board of Governors. This information may also be obtained on an expedited basis, upon request, by contacting the appropriate Federal Reserve Bank and from the Board's Freedom of Information Office at *https://www.federalreserve.gov/foia/request.htm.* Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act.

Comments received are subject to public disclosure. In general, comments received will be made available without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would not be appropriate for public disclosure.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors, Ann E. Misback, Secretary of the Board, 20th Street and Constitution Avenue NW, Washington DC 20551–0001, not later than August 20, 2025.

A. Federal Reserve Bank of St. Louis (Holly A. Rieser, Senior Manager) P.O. Box 442, St. Louis, Missouri 63166–2034. Comments can also be sent electronically to *Comments.applications@stls.frb.org:*

1. *Southern Bancorp, Inc., Arkadelphia, Arkansas;* to retain voting shares of Arkansas Skunkworks, LLC (d/b/a System61), Little Rock, Arkansas, and thereby engage in data processing activities pursuant to section 225.28(b)(14)(i) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System.

Erin Cayce,

Assistant Secretary of the Board.

[FR Doc. 2025–14811 Filed 8–4–25; 8:45 am]

BILLING CODE P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[30Day–25–25CH]

Agency Forms Undergoing Paperwork Reduction Act Review

In accordance with the Paperwork Reduction Act of 1995, the Centers for Disease Control and Prevention (CDC) has submitted the information collection request titled ''Combating

Antimicrobial Resistant Gonorrhea and Other STIs (CARGOS)'' to the Office of Management and Budget (OMB) for review and approval. CDC previously published a ''Proposed Data Collection Submitted for Public Comment and Recommendations'' notice on January 8, 2025 to obtain comments from the public and affected agencies. CDC did not receive comments related to the previous notice. This notice serves to allow an additional 30 days for public and affected agency comments.

The CDC will accept all comments for this proposed information collection project. The Office of Management and Budget is particularly interested in comments that:

(a) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(b) Evaluate the accuracy of the agencies estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(c) Enhance the quality, utility, and clarity of the information to be collected;

(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; and

(e) Assess information collection costs.

To request additional information on the proposed project or to obtain a copy of the information collection plan and instruments, call (404) 639–7570. 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 particular information collection by selecting ''Currently under 30-day Review—Open for Public Comments'' or by using the search function. Direct written comments and/or suggestions regarding the items contained in this notice to the Attention: CDC Desk Officer, Office of Management and Budget, 725 17th Street NW, Washington, DC 20503 or by fax to (202) 395–5806. Provide written comments within 30 days of notice publication.

Proposed Project

Combating Antimicrobial Resistant Gonorrhea and Other STIs (CARGOS)—New—National Center for HIV, viral Hepatitis, STD, and Tuberculosis Prevention (NCHHSTP), Centers for Disease Control and Prevention (CDC).

Background and Brief Description

The Centers for Disease Control and Prevention (CDC), as part of its continuing effort to reduce public burden and maximize the utility of government information, invites the general public and other federal agencies the opportunity to comment on a proposed information collection, as required by the Paperwork Reduction Act of 1995. This notice invites comment on an information collection project titled Combating Antimicrobial Resistant Gonorrhea and Other STIs (CARGOS). CARGOS is a comprehensive strategy designed to streamline and improve the coordination of Antimicrobial Resistance (AR) surveillance and preparedness and response activities focused on *Neisseria gonorrhoeae* (GC), and to expand capacity to include other STIs with emerging AR in the United States.

Data and isolates will be collected at participating clinics. Laboratory, clinical, and demographic data elements associated with each N. gonorrhoeae isolate will be electronically submitted to CDC. Data will be used to guide national recommendations for public health action through surveillance by supporting rapid detection of and response to threats of AR in STIs, monitoring trends in antimicrobial susceptibilities of N. gonorrhoeae strains, and identifying scalable, effective approaches to prevent the spread of AR in the United States. Changes were made to the estimated annualized burden hours, supporting documents, and data collection instruments to ensure compliance with executive orders, federal policies, and agency directives.

CDC requests OMB approval for an estimated 4,749 annual burden hours. There are no costs to respondents other than their time to participate.

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondent	Form name	Number of respondents	Number of responses per respondent	Average burden per response (hours)
Public Health Laboratory Microbiologist	Laboratory Testing Data Elements.	19	700	10/60
Public Health Laboratory Data Manager	Laboratory Data Elements.	19	12	1
Jurisdictional CARGOS Data Manager and Epidemiologist	Clinic Facility Data Elements.	19	12	8
Gonorrhea Patients with Gonorrhea and Sexual Contacts	Alert Field Investigation Data Elements.	960	1	30/60

Jeffrey M. Zirger,

Lead, Information Collection Review Office, Office of Public Health Ethics and Regulations, Office of Science, Centers for Disease Control and Prevention.

[FR Doc. 2025–14772 Filed 8–4–25; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[30Day–25–1274]

Agency Forms Undergoing Paperwork Extension Act Review

In accordance with the Paperwork Reduction Act of 1995, the Centers for Disease Control and Prevention (CDC) has submitted the information collection request titled ''Million Hearts® Hospitals & Health Systems Recognition Program'' to the Office of Management and Budget (OMB) for review and approval. CDC previously published a ''Proposed Data Collection Submitted for Public Comment and Recommendations'' notice on October 21, 2024, to obtain comments from the public and affected agencies. CDC received one substantive comment related to the previous notice. This notice serves to allow an additional 30 days for public and affected agency comments.

CDC will accept all comments for this proposed information collection project. The Office of Management and Budget is particularly interested in comments that:

(a) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(b) Evaluate the accuracy of the agencies estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(c) Enhance the quality, utility, and clarity of the information to be collected;

(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; and

(e) Assess information collection costs.

To request additional information on the proposed project or to obtain a copy of the information collection plan and instruments, call (404) 639–7570. 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 particular information collection by selecting ''Currently under 30-day Review—Open for Public Comments'' or by using the search function. Direct written comments and/or suggestions regarding the items contained in this notice to the Attention: CDC Desk Officer, Office of Management and Budget, 725 17th Street, NW, Washington, DC 20503 or by fax to (202) 395–5806. Provide written comments within 30 days of notice publication.

Proposed Project

Million Hearts® Hospitals & Health Systems Recognition Program (OMB Control No. 0920–1274, Exp. 10/31/2025)—Extension—National Center for Chronic Disease Prevention and Health Promotion (NCCDPHP), Centers for Disease Control and Prevention (CDC).

Background and Brief Description

Heart disease, stroke, and other cardiovascular events kill over 800,000 Americans each year, accounting for one in every three deaths. Cardiovascular disease (CVD) is the nation's number one killer among both men and women and a leading cause of disability. Million Hearts®, a national, public-private initiative co-led by the Centers for Disease Control and Prevention (CDC) and the Centers for Medicare & Medicaid Services (CMS), was established to work with and across clinical and public health partners to prevent one million cardiovascular events in five years.

Whether migrating towards value-based reimbursement or simply striving for a significant impact in reducing the devastation of heart attacks and strokes, clinical organizations are positioned to improve the health of the population they serve by implementing high-impact, evidence-based strategies. Achieving a Million Hearts® Hospitals & Health Systems designation signals a commitment to not only clinical quality, but population health overall. It is also an opportunity for public health partners to recognize and amplify effective strategies to support Americans in living heart-healthy lives.

Initially launched in 2020, the Million Hearts® Hospitals & Health Systems Recognition Program will continue to recognize institutions that are working to systematically improve the cardiovascular health of their patient population and the communities they serve by implementing strategies in alignment with the Million Hearts® 2027 priority areas of Building Healthy Communities, Optimizing Care, and Focusing on Health Equity. CDC anticipates that new applicants will range from health systems with multiple hospitals, hospitals with and without ambulatory medical practices, and medical practices not affiliated with hospitals. Any clinical entity whose leaders consider it eligible may apply. Recognition can be achieved by a robust commitment to implement specific strategies, by implementing specific strategies, and most importantly, by achieving outcomes. Applicants will complete the Million Hearts® Hospitals & Health Systems Recognition Program application, indicating the areas in which they are committing to implement Million Hearts® strategies, areas in which they have implemented key strategies, and/or those strategies for which they have achieved outcomes/results.

Applicants must address a minimum of one strategy in at least three of the four areas (Building Healthy Communities, Optimizing Care, Focusing on Health Equity, and Supplemental Programs and Innovations) that are outlined in the online application with reference to implementation resources, as appropriate. However, they are encouraged to target as many strategies as is appropriate for their institution. Applicants will be subject to a background check.

The Million Hearts® Hospitals and Health Systems designation conveys that the institution is committed to preventing heart attacks and strokes. All applicants with reported outcomes and a selection of those who are committing to implement or are implementing Million Hearts® strategies, will be asked to participate in a semi-structured, qualitative interview. The purpose of the interview is to obtain in-depth contextual information about the Million Hearts® strategies and facilitators used to achieve improved cardiovascular outcomes. Applicants with reported outcomes will receive increased recognition from Million Hearts® by having their success stories placed on the Million Hearts® website and amplified across Million Hearts® communication channels (*e.g.,* e-newsletter, social media, learning collaboratives, presentations, etc.).

The program's web-based application will stay open throughout the year and applications will be reviewed on a quarterly basis and recognized within six months of acceptable review. CDC estimates that information will be collected from up to 50 applicants per year.

The overall goal of the Million Hearts® initiative is to prevent one million heart attacks, strokes, and other cardiovascular events in five years. Promoting evidence-based strategies and recognizing top performers are core

components of the initiative. CDC will use the information collected through the Million Hearts® Hospitals & Health Systems Recognition Program to increase widespread attention on successful and sustainable implementation strategies; improve understanding of these strategies at the practice level; bring visibility to organizations that commit, implement, or have implemented Million Hearts® strategies; and motivate other hospitals and health systems to strengthen their efforts to prevent cardiovascular events.

OMB approval is requested for three years. Participation is voluntarily and there are no costs to respondents other than their time spent applying to the program (and responding to any follow up questions about their application) and providing information about their work to be recognized nationally. CDC requests OMB approval for an estimated 149 annual burden hours.

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondents	Form name	Number of respondents	Number of responses per respondent	Average burden per response (in hours)
Medical & Health Service Manager	Recognition Program Application.	50	1	160/60
Medical & Health Service Manager	Interview Guide	30	1	30/60

Jeffrey M. Zirger,

Lead, Information Collection Review Office, Office of Public Health Ethics and Regulations, Office of Science, Centers for Disease Control and Prevention.

[FR Doc. 2025–14770 Filed 8–4–25; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

National Center for Health Statistics, Meeting of the ICD–10 Coordination and Maintenance Committee

AGENCY: Centers for Disease Control and Prevention (CDC), Department of Health and Human Services (HHS).

ACTION: Notice of meeting.

SUMMARY: The Centers for Disease Control and Prevention (CDC), National Center for Health Statistics (NCHS), Classifications and Public Health Data Standards Staff, announces the following meeting of the ICD–10 Coordination and Maintenance (C&M) Committee. This meeting is open to the public, limited only by the number of audio lines available. Online registration is required.

DATES: The meeting will be held on September 9, 2025, from 9 a.m. to 5 p.m., EDT, and September 10, 2025, from 9 a.m. to 5 p.m., EDT.

ADDRESSES: This is a virtual meeting. Register in advance for this webinar: *https://cms.zoomgov.com/webinar/register/WN_cfwiQyYuR4uyU1x0HZKCKA.* After registering, you will receive a confirmation email containing information about joining the webinar. For CDC, NCHS: *https://www.cdc.gov/nchs/icd/icd-10-maintenance/meetings.html.* For the Centers for Medicare & Medicaid Services, Department of Health and Human Services: *https://www.cms.gov/medicare/coding-billing/icd-10-codes/icd-10-coordination-maintenance-committee-materials.*

FOR FURTHER INFORMATION CONTACT: Traci Ramirez, Medical Classification Specialist, National Center for Health Statistics, Centers for Disease Control and Prevention, 3311 Toledo Road, Hyattsville, Maryland 20782–2064. Telephone: (301) 458–4454; Email: *TRamirez@cdc.gov.*

SUPPLEMENTARY INFORMATION:

Purpose: The ICD–10 Coordination and Maintenance (C&M) Committee is a public forum for the presentation of proposed modifications to the International Classification of Diseases, Tenth Revision, Clinical Modification (CM) and ICD–10 Procedure Coding System (PCS).

Matters to be Considered: The tentative agenda will include discussions on the ICD–10–CM and ICD–10–PCS topics listed below. Agenda items are subject to change as priorities dictate. Please refer to the posted agenda for updates one month prior to the meeting.

ICD–10–PCS Topics:

1. Division of Myocardial Septum ***
2. Dilation using Electromechanical Obstetrical Dilator**
3. Dilation of the Inferior Vena Cava with an Open-Structure Lattice Stent**
4. Insertion of a Lumenless Small Diameter Defibrillator Lead**
5. Measurement of Whole-Body Mass Composition*
6. Computer-aided Assessment of Glucose***
7. Bypass of Inferior Vena Cava using Autologous Cell Seeded Tissue Engineered Resorbable Scaffold*
8. Section X Updates
9. Addenda and Key Updates
10. Administration of DB–OTO*
11. Administration of CPI–601*
12. Administration of ZEMAIRA**
13. Administration of anitocabtagene autoleucel**

* Request is for an April 1, 2026 implementation date.

** Request is for an April 1, 2026 implementation date and the requestor intends to submit a new technology add-on payment (NTAP) application for future consideration.

*** Request is for an October 1, 2026 implementation date and the requestor intends to submit an NTAP application for future consideration.

CMS will not present the Fall 2025 ICD–10–PCS procedure code topics during the virtual meeting. Instead, CMS will post the procedure code topic materials and solicit public comments regarding any clinical questions or coding options consistent with the approach utilized for the Spring 2025 Update and have utilized as of March 2021 for the procedure code requests that involve a new technology add-on payment (NTAP) application for the administration of a therapeutic agent. The deadline to submit comments for procedure code topics being considered for an April 1, 2026, implementation is October 10, 2025, and the deadline to submit comments for procedure code topics being considered for an October 1, 2026, implementation is November 14, 2025.

Members of the public should send any questions or comments related to the procedure code topics that are under consideration for an April 1, 2026 implementation or an October 1, 2026 implementation to the CMS mailbox at: *ICDProcedureCodeRequest@cms.hhs.gov* by the respective deadline.

All procedure code topic materials and related documents will be made available on the CMS website at *https://www.cms.gov/medicare/coding-billing/*

icd-10-codes/icd-10-coordination-maintenance-committee-materials. Additionally, CMS will post a question-and-answer document to address any clinical or coding questions that members of the public submit by the designated October 10, 2025, or November 14, 2025, deadline.

CDC, NCHS will make all meeting materials and related documents available at: *https://www.cdc.gov/nchs/icd/icd-10-maintenance/meetings.html.* Any inquiries related to the diagnoses code topics scheduled for the September 9–10, 2025, ICD–10 C&M Committee meeting should be sent to the CDC, NCHS mailbox at: *nchsicd10cm@cdc.gov.*

ICD–10–CM Topics:

1. Amyloid-related imaging abnormalities (ARIA)
2. Catatonia
3. Chronic hand eczema
4. Ectopic Pregnancies
5. Glanzmann thrombasthenia
6. Hepatic fibrosis
7. Hypothalamic obesity
8. Ledderhose disease/plantar fibromatosis and plantar fasciitis
9. Lipedema and lipolymphedema
10. Medetomidine withdrawal syndrome
11. Nipple ischemia and nipple necrosis
12. Odontogenic sinusitis
13. Pediatric Healthcare: Impact of Parental Mental Health
14. Pediatric Healthcare: Impact of Social Circumstance
15. Pediatric Healthcare: Screening for and preventing Child Maltreatment
16. Pediatric Hypertrophic pyloric Stenosis
17. Personal history of C diff disease
18. Postprocedural open deep wound without disruption
19. Potts puffy tumor
20. Screening of Diabetes Mellitus
21. Skin changes due to skin failure
22. Topical steroid withdrawal
23. Vanishing twin syndrome
24. Vexas Syndrome
25. Addenda

The Director, Office of Strategic Business Initiatives, Office of the Chief Operating Officer, Centers for Disease Control and Prevention, has been delegated the authority to sign **Federal Register** notices pertaining to announcements of meetings and other committee management activities, for both the Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry.

Kalwant Smagh,

Director, Office of Strategic Business Initiatives, Office of the Chief Operating Officer, Centers for Disease Control and Prevention.

[FR Doc. 2025–14769 Filed 8–4–25; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[Document Identifier: CMS–1763 and CMS–1696]

Agency Information Collection Activities: Submission for OMB Review; Comment Request

AGENCY: Centers for Medicare & Medicaid Services, Health and Human Services (HHS).

ACTION: Notice.

SUMMARY: The Centers for Medicare & Medicaid Services (CMS) is announcing an opportunity for the public to comment on CMS' intention to collect information from the public. Under the Paperwork Reduction Act of 1995 (PRA), federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension or reinstatement of an existing collection of information, and to allow a second opportunity for public comment on the notice. Interested persons are invited to send comments regarding the burden estimate or any other aspect of this collection of information, including the necessity and utility of the proposed information collection for the proper performance of the agency's functions, the accuracy of the estimated burden, ways to enhance the quality, utility, and clarity of the information to be collected, and the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

DATES: Comments on the collection(s) of information must be received by the OMB desk officer by September 4, 2025.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to *www.reginfo.gov/public/do/PRAMain.* Find this particular information collection by selecting ''Currently under 30-day Review—Open for Public Comments'' or by using the search function.

To obtain copies of a supporting statement and any related forms for the proposed collection(s) summarized in this notice, please access the CMS PRA website by copying and pasting the following web address into your web browser: *https://www.cms.gov/Regulations-and-Guidance/Legislation/PaperworkReductionActof1995/PRA-Listing.*

FOR FURTHER INFORMATION CONTACT: William Parham at (410) 786–4669.

SUPPLEMENTARY INFORMATION: Under the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501–3520), federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. The term ''collection of information'' is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) 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 publish a 30-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension or reinstatement of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, CMS is publishing this notice that summarizes the following proposed collection(s) of information for public comment:

1. *Type of Information Collection Request:* Revision of a currently approved collection; *Title of Information Collection:* Request for Termination of Medicare Premium Part A, Part B, or Part B Immunosuppressive Drug Coverage (Part B–ID) and Supporting Statute and Regulations; *Use:* Sections 1818(c)(5), 1818A(c)(2)(B) and 1838(b)(1) of the Act and corresponding regulations at 42 CFR 406.28(a) and 407.27(c) require that a Medicare enrollee wishing to voluntarily terminate Part B or premium Part A coverage file a written request with CMS or SSA. Pursuant to 1838(h) of the Act and the corresponding regulation at 42 CFR 407.62(a), individuals wishing to terminate their Part B–ID coverage must notify SSA. The statute and regulations also specify when coverage ends based upon the date the request for termination is filed.

The CMS–1763 is the form used by individuals who wish to terminate their Medicare Part A, Part B or Part B–ID. This 2024 iteration is a revision that does not propose any program changes.

Per the Office of Communication's plain language suggestion, the title has been updated to ''Request for Termination of Medicare Premium Part A, Part B, or Part B Immunosuppressive Drug Coverage (Part B–ID).'' The 2024 submission saw an increase in the burden due to utilization of the form and improvement in the accuracy of the data exchanges between CMS and SSA. Updated wage information for a federal government employee is also responsible for part of the increase. *Form Number:* CMS–1763 (OMB control number 0938–0025); *Frequency:* Biennially; *Affected Public:* Private Sector—State, Local, or Tribal Governments; and Federal Government; *Number of Respondents:* 197,518; *Total Annual Responses:* 197,518; *Total Annual Hours:* 33,578. (For policy questions regarding this collection contact Tyrissa Woods at 410–786–0286 or *tyrissa.woods@cms.hhs.gov*.)

2. *Type of Information Collection Request:* Extension of a currently approved collection; *Title of Information Collection:* Appointment of Representative; *Use:* The requirements for appointing representatives for claims and appeals processed under 42 CFR part 405 Subpart I were codified into regulation at 42 CFR 405.910. In summary, section 405.910 states an individual or entity may appoint a representative to act on their behalf in exercising their rights relative to an initial claim determination or an appeal. The appointment of representation must be in writing and must include all the required elements specified in 405.910(c). The burden associated with this requirement is the time and effort of the individual or entity to prepare an appointment of representation containing all the required information of this section.

This form would be completed by Medicare beneficiaries, providers, and suppliers (typically their billing clerk, or billing company), and any party who wish to appoint a representative to assist them with their initial Medicare claims determinations and filing appeals on Medicare claims. The information supplied on the form is reviewed by Medicare claims and appeals adjudicators. The adjudicators make determinations whether the form was completed accurately, and if the form is correct and accepted, the form is appended to the claim or appeal that it was filed with *Form Number:* CMS–1696 (OMB control number: 0938–0950); *Frequency:* Occasionally; *Affected Public:* Individuals and Households and Private Sector; *Number of Respondents:* 208,173; *Total Annual Responses:* 208,173; *Total Annual Hours:* 52,043. (For policy questions regarding this collection contact Katherine Hosna at (410) 786–4993 or *Katherine.Hosna@cms.hhs.gov*.)

William N. Parham, III,

Director, Division of Information Collections and Regulatory Impacts, Office of Strategic Operations and Regulatory Affairs.

[FR Doc. 2025–14829 Filed 8–4–25; 8:45 am]

BILLING CODE 4120–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[Document Identifier: CMS–10495, CMS 855S and CMS–R–131]

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Centers for Medicare & Medicaid Services, Health and Human Services (HHS).

ACTION: Notice.

SUMMARY: The Centers for Medicare & Medicaid Services (CMS) is announcing an opportunity for the public to comment on CMS' intention to collect information from the public. Under the Paperwork Reduction Act of 1995 (PRA), federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information (including each proposed extension or reinstatement of an existing collection of information) and to allow 60 days for public comment on the proposed action. Interested persons are invited to send comments regarding our burden estimates or any other aspect of this collection of information, including the necessity and utility of the proposed information collection for the proper performance of the agency's functions, the accuracy of the estimated burden, ways to enhance the quality, utility, and clarity of the information to be collected, and the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

DATES: Comments must be received by October 6, 2025.

ADDRESSES: When commenting, please reference the document identifier or OMB control number. To be assured consideration, comments and recommendations must be submitted in any one of the following ways:

1. *Electronically.* You may send your comments electronically to *http://www.regulations.gov.* Follow the instructions for ''Comment or Submission'' or ''More Search Options'' to find the information collection document(s) that are accepting comments.

2. *By regular mail.* You may mail written comments to the following address: CMS, Office of Strategic Operations and Regulatory Affairs, Division of Regulations Development, Attention: Document Identifier/OMB Control Number: _____, Room C4–26–05, 7500 Security Boulevard, Baltimore, Maryland 21244–1850.

To obtain copies of a supporting statement and any related forms for the proposed collection(s) summarized in this notice, please access the CMS PRA website by copying and pasting the following web address into your web browser: *https://www.cms.gov/Regulations-and-Guidance/Legislation/PaperworkReductionActof1995/PRA-Listing.*

FOR FURTHER INFORMATION CONTACT: William N. Parham at (410) 786–4669.

SUPPLEMENTARY INFORMATION:

Contents

This notice sets out a summary of the use and burden associated with the following information collections. More detailed information can be found in each collection's supporting statement and associated materials (see **ADDRESSES**).

CMS–10495 Data Collection and Submission for Open Payments

CMS–855S Medicare Enrollment Application: Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Suppliers

CMS–R–131 Advance Beneficiary Notice of Non-coverage

Under the PRA (44 U.S.C. 3501–3520), federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. The term ''collection of information'' is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) 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 requires federal agencies to publish a 60-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension or reinstatement of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, CMS is publishing this notice.

Information Collections

1. *Type of Information Collection Request:* Extension of a currently approved collection; *Title of Information Collection:* Registration, Attestation, Dispute Resolution and Correction, Assumptions Document and Data Retention Requirements for Open Payments; *Use:* The Patient Protection and Affordable Care Act was enacted on March 23, 2010 (Pub. L. 111–148). This statute amended section 1128 of the Social Security Act (the Act) by adding a new subsection G that requires applicable manufacturers of drugs, devices, biologics, or medical supplies covered under title XVIII of the Act (Medicare) or a State plan under title XIX (Medicaid) or XXI of the Act (the Children's Health Insurance Program, or CHIP) to report annually to the Secretary certain payments or other transfers of value to physicians and teaching hospitals. Section 1128G of the Act also requires applicable manufacturers and applicable group purchasing organizations (GPOs) to report certain information regarding the ownership or investment interests held by physicians or the immediate family members of physicians in such entities, as well as any payments provided to such physicians. The submitted information facilitates various aspects of the program. The information collected through the registration process is used by CMS to validate registration for applicable manufacturers, applicable GPOs, covered recipients, and physician owners or investors that are registering for Open Payments. Details collected during the dispute resolution and correction process allows CMS to notify applicable manufacturers and applicable GPOs that a covered recipient or physician owner or investor is initiating a dispute regarding data submitted about them and allow CMS to relay the nature of the dispute. The assumptions documents submitted by applicable manufacturers or applicable GPOs assist CMS in providing guidance (for example, determining form and nature of payment categories, calculating the value of a payment, determining the date of payment, and reporting the terms of an ownership or investment interest). *Form Number:* CMS–10495 (OMB control number: 0938–1237); *Frequency:* Annually; Affected Public: State, Local, or Tribal Governments; *Number of Respondents:* 1,788; *Total Annual Responses:* 1,788; *Total Annual Hours:* 1,950,948. For policy questions regarding this collection contact Kathleen Ott at 410–786–4246.

2. *Type of Information Collection Request:* Revision of the currently approved collection; *Title of Information Collection:* Medicare Enrollment Application—Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Suppliers; *Use:* The primary function of the Form CMS–855S Medicare enrollment application for suppliers of durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) is to gather information from the supplier that tells us who the supplier is, whether the supplier meets certain qualifications to be a Medicare DMEPOS supplier, where the supplier practices or renders services, and other information necessary to establish correct claims payments. *Form Number:* CMS–855S (OMB control number: 0938–1056); *Frequency:* Yearly; *Affected Public:* Private Sector, Business or other for-profits and Not-for-profit institutions; *Number of Respondents:* 32,790; *Total Annual Responses:* 32,790; *Total Annual Hours:* 67,886. (For policy questions regarding this collection contact Frank Whelan at 410–786–1302.)

3. *Title of Information Collection:* Advance Beneficiary Notice of Non-coverage; *Type of Information Collection Request:* Revision of a currently approved collection; *Use:* The use of the Advance Beneficiary Notice of Non-coverage (ABN) is to inform Medicare beneficiaries of their liability under specific conditions. This has been available since the ''limitation on liability'' provisions in section 1879 of the Social Security Act (the Act) were enacted in 1972 (P.L. 92–603). The ABN, Form CMS–R–13 was designed to inform Medicare beneficiaries of their potential financial liability.

ABNs are not given every time items and services are delivered. Rather, ABNs are given only when a physician, provider, practitioner, or supplier anticipates that Medicare will not provide payment in specific cases. An ABN may be given, and the beneficiary may subsequently choose not to receive the item or service. An ABN may also be issued because of other applicable statutory requirements other than § 1862(a)(1) such as when a beneficiary wants to obtain an item from a supplier who has not met Medicare supplier number requirements, as listed in section 1834(j)(1) of the Act or when statutory requirements for issuance specific to HHAs are applicable. *Form Number:* CMS–R–131 (OMB control number: 0938–0566); *Frequency:* Yearly; *Affected Public:* Private Sector, Business or other for profits, Not for profits institutions; *Number of Respondents:* 1,723,755; *Number of Responses:* 331,715,277; *Total Annual Hours:* 38,701,221. (For questions regarding this collection contact Jennifer McCormick at 410–786–2852 or *Jennifer.McCormick1@cms.hhs.gov.*)

William N. Parham, III,

Director, Division of Information Collections and Regulatory Impacts, Office of Strategic Operations and Regulatory Affairs.

[FR Doc. 2025–14828 Filed 8–4–25; 8:45 am]

BILLING CODE 4120–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS–9155–N]

Medicare and Medicaid Programs; Quarterly Listing of Program Issuances—April Through June 2025

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Notice.

SUMMARY: This quarterly notice lists Centers for Medicare & Medicaid Services (CMS) manual instructions, substantive and interpretive regulations, and other **Federal Register** notices that were published in the 3-month period, relating to the Medicare and Medicaid programs and other programs administered by CMS.

FOR FURTHER INFORMATION CONTACT: It is possible that an interested party may need specific information and not be able to determine from the listed information whether the issuance or regulation would fulfill that need. Consequently, we are providing contact persons to answer general questions concerning each of the addenda published in this notice.

Addenda	Contact	Phone number
I. CMS Manual Instructions	Ronda Allen-Bonner	(410) 786–4657
II. Regulation Documents Published in the FEDERAL REGISTER	Gittel Treitel	(410) 786–4673
III. CMS Rulings	Tiffany Lafferty	(410) 786–7548
IV. Medicare National Coverage Determinations	Wanda Belle, MPA	(410) 786–7491

Addenda	Contact	Phone number
V. FDA—Approved Category B IDEs	John Manlove	(410) 786–6877
VI. Collections of Information	William Parham	(410) 786–4669
VII. Medicare-Approved Carotid Stent Facilities	Sarah Fulton, MHS	(410) 786–2749
VIII. American College of Cardiology—National Cardiovascular Data Registry Sites	Sarah Fulton, MHS	(410) 786–2749
IX. Medicare's Active Coverage—Related Guidance Documents	Lori Ashby, MA	(410) 786–6322
X. One-time Notices Regarding National Coverage Provisions	JoAnna Baldwin, MS	(410) 786–7205
XI. National Oncologic Positron Emission Tomography Registry Sites	David Dolan, MBA	(410) 786–3365
XII. Medicare-Approved Ventricular Assist Device (Destination Therapy) Facilities	David Dolan, MBA	(410) 786–3365
XIII. Medicare-Approved Lung Volume Reduction Surgery Facilities	Sarah Fulton, MHS	(410) 786–2749
XIV. Medicare-Approved Bariatric Surgery Facilities	Sarah Fulton, MHS	(410) 786–2749
XV. Fluorodeoxyglucose Positron Emission Tomography for Dementia Trials	David Dolan, MBA	(410) 786–3365
All Other Information	Renee Swann	(410) 786–4492

SUPPLEMENTARY INFORMATION:

I. Background

The Centers for Medicare & Medicaid Services (CMS) is responsible for administering the Medicare and Medicaid programs and coordination and oversight of private health insurance. Administration and oversight of these programs involves the following: (1) furnishing information to Medicare and Medicaid beneficiaries, health care providers, and the public; and (2) maintaining effective communications with CMS regional offices, state governments, state Medicaid agencies, state survey agencies, various providers of health care, all Medicare contractors that process claims and pay bills, National Association of Insurance Commissioners (NAIC), health insurers, and other stakeholders. To implement the various statutes on which the programs are based, we issue regulations under the authority granted to the Secretary of the Department of Health and Human Services under sections 1102, 1871, 1902, and related provisions of the Social Security Act (the Act) and Public Health Service Act. We also issue various manuals, memoranda, and statements necessary to administer and oversee the programs efficiently.

Section 1871(c) of the Act requires that we publish a list of all Medicare manual instructions, interpretive rules, statements of policy, and guidelines of general applicability not issued as regulations at least every 3 months in the **Federal Register**.

II. Format for the Quarterly Issuance Notices

This quarterly notice provides only the specific updates that have occurred in the 3-month period along with a hyperlink to the full listing that is available on the CMS website or the appropriate data registries that are used as our resources. This is the most current up-to-date information and will be available earlier than we publish our quarterly notice. We believe the website list provides more timely access for beneficiaries, providers, and suppliers. We also believe the website offers a more convenient tool for the public to find the full list of qualified providers for these specific services and offers more flexibility and ''real time'' accessibility. In addition, many of the websites have listservs; that is, the public can subscribe and receive immediate notification of any updates to the website. These listservs avoid the need to check the website, as notification of updates is automatic and sent to the subscriber as they occur. If assessing a website proves to be difficult, the contact person listed can provide information.

III. How To Use the Notice

This notice is organized into 15 addenda so that a reader may access the subjects published during the quarter covered by the notice to determine whether any are of particular interest. We expect this notice to be used in concert with previously published notices. Those unfamiliar with a description of our Medicare manuals should view the manuals at *http://www.cms.gov/manuals.*

The Director of the Office of Strategic Operations and Regulatory Affairs of CMS, Kathleen Cantwell, having reviewed and approved this document, authorizes Trenesha Fultz-Mimms, who is the Federal Register Liaison, to electronically sign this document for purposes of publication in the **Federal Register**.

Trenesha Fultz-Mimms,

Federal Register Liaison, Department of Health and Human Services.

BILLING CODE 4120–01–P

Publication Dates for the Previous Four Quarterly Notices

We publish this notice at the end of each quarter reflecting information released by CMS during the previous quarter. The publication dates of the previous four Quarterly Listing of Program Issuances notices are: July 22, 2024 (89 FR 59104), November 7, 2024 (89 FR 88282), February 19, 2025 (90 FR 9902) and May 16, 2025 (90 FR 21043). We are providing only the specific updates that have occurred in the 3-month period along with a hyperlink to the website to access this information and a contact person for questions or additional information.

Addendum I: Medicare and Medicaid Manual Instructions (April through June 2025)

The CMS Manual System is used by CMS program components, partners, providers, contractors, Medicare Advantage organizations, and State Survey Agencies to administer CMS programs. It offers day-to-day operating instructions, policies, and procedures based on statutes and regulations, guidelines, models, and directives. In 2003, we transformed the CMS Program Manuals into a web user-friendly presentation and renamed it the CMS Online Manual System.

How to Obtain Manuals

The Internet-only Manuals (IOMs) are a replica of the Agency's official record copy. Paper-based manuals are CMS manuals that were officially released in hardcopy. The majority of these manuals were transferred into the Internet-only manual (IOM) or retired. Pub 15-1, Pub 15-2 and Pub 45 are exceptions to this rule and are still active paper-based manuals. The remaining paper-based manuals are for reference purposes only. If you notice policy contained in the paper-based manuals that was not transferred to the IOM, send a message via the CMS Feedback tool.

Those wishing to subscribe to old versions of CMS manuals should contact the National Technical Information Service, Department of Commerce, 5301 Shawnee Road, Alexandria, VA 22312 Telephone (703-605-6050). You can download copies of the listed material free of charge at: *http://cms.gov/manuals.*

How to Review Transmittals or Program Memoranda

Those wishing to review transmittals and program memoranda can access this information at a local Federal Depository Library (FDL). Under the FDL program, government publications are sent to approximately 1,400 designated libraries throughout the United States. Some FDLs may have arrangements to transfer material to a local library not designated as an FDL. Contact any library to locate the nearest FDL. This information is available at *http://www.gpo.gov/libraries/*

In addition, individuals may contact regional depository libraries that receive and retain at least one copy of most federal government publications, either in printed or microfilm form, for use by the general public. These libraries provide reference services and interlibrary loans; however, they are not sales outlets. Individuals may obtain information about the location of the nearest regional depository library from any library. CMS publication and transmittal numbers are shown in the listing entitled Medicare and Medicaid Manual Instructions. To help FDLs locate the materials, use the CMS publication and transmittal numbers. For example, to find the manual Qualifications for Implementation of Changes in the End-Stage Renal Disease (ESRD) Prospective Payment System (PPS) and Payment for Dialysis Furnished for Acute Kidney Injury (AKI) in ESRD Facilities for Calendar Year (CY) 2025 (CMS-Pub. 100-02) Transmittal No. 13245.

Addendum I lists a unique CMS transmittal number for each instruction in our manuals or program memoranda and its subject number. A transmittal may consist of a single or multiple instruction(s). Often, it is necessary to use information in a transmittal in conjunction with information currently in the manual.

Fee-For Service Transmittal Numbers

Please Note: Beginning Friday, March 20, 2020, there will be the following change regarding the Advance Notice of Instructions due to a CMS internal process change. Fee-For Service Transmittal Numbers will no longer be determined by Publication. The Transmittal numbers will be issued by a single numerical sequence beginning with Transmittal Number 10000.

For the purposes of this quarterly notice, we list only the specific updates to the list of manual instructions that have occurred in the 3-month period. This information is available on our website at *www.cms.gov/Manuals.*

These Change Request (CR) are being released on a limited approved basis due to the moratorium.

Transmittal Number	Manual/Subject/Publication Number
	Medicare General Information (CMS-Pub. 100-01)

13175	Internet Only Manual (IOM) Update, Publication (Pub.) 100-01, Chapter 7, 40.2 - General Information, Eligibility, and Entitlement Manual Chapter 7 - Contract Administrative Requirements
13224	Issued to a specific audience, not posted to Internet/Intranet due to Confidentiality of Instruction
Medicare Benefit Policy (CMS-Pub. 100-02)	
13108	Manual Updates to Chapter 17 of the Medicare Claims Processing Manual and Chapter 15 of the Medicare Benefit Policy Manual to Reflect Policies Finalized in the Calendar Year (CY) 2025 Physician Fee Schedule Final Rule
13169	Update to the List of Advanced Life Support, Level 2 (ALS2) Procedures in Chapter 10, Ambulance Services, Section 30.1.1, Definition of Ground Ambulance Services
13198	Updates to Medicare Benefit Policy Manual and Medicare Claims Processing Manual for Opioid Treatment Programs (OTPs)
13245	Implementation of Changes in the End-Stage Renal Disease (ESRD) Prospective Payment System (PPS) and Payment for Dialysis Furnished for Acute Kidney Injury (AKI) in ESRD Facilities for Calendar Year (CY) 2025
13248	Omnibus Change Request (CR) Covering Updates for the Medicare Physician Fee Schedule (MPFS) Rule 2025: (1) Updates to Colorectal Cancer Screening and Hepatitis B Vaccine Policies
13272	Updates to No Legal Obligation to Pay for or Provide Services and Examples of Application of Government Entity Exclusion (Pub. 100-02, chapter 16, sections 40 and 50.3.3 and newly created section 40.7) and Claims Submitted for Items or Services Furnished to Medicare Beneficiaries in State or Local Custody Under a Penal Authority (Pub. 100-04, chapter 1, section 10.4)

Medicare National Coverage Determination (CMS-Pub. 100-03)	
13198	Updates to Medicare Benefit Policy Manual and Medicare Claims Processing Manual for Opioid Treatment Programs (OTPs)
13209	National Coverage Determination (NCD) 210.15 - Pre-Exposure Prophylaxis (PrEP) for Human Immunodeficiency Virus (HIV) Prevention
13246	National Coverage Determination (NCD) 20.36 Implantable Pulmonary Artery Pressure Sensors for Heart Failure Management
13282	National Coverage Determination (NCD) 20.36 Implantable Pulmonary Artery Pressure Sensors for Heart Failure Management
Medicare Claims Processing (CMS-Pub. 100-04)	
13105	Internet Only Manual (IOM) Update, Pub. 100-04, Chapter 24 General EDI and EDI Support Requirements, Electronic Claims, and Mandatory Electronic Filing of Medicare Claims
13108	Manual Updates to Chapter 17 of the Medicare Claims Processing Manual and Chapter 15 of the Medicare Benefit Policy Manual to Reflect Policies Finalized in the Calendar Year (CY) 2025 Physician Fee Schedule Final Rule
13117	Remittance Advice Remark Code (RARC), Claims Adjustment Reason Code (CARC), Medicare Remit Easy Print (MREP) and PC Print Update
13118	Issued to a specific audience, not posted to Internet/Intranet due to a Sensitivity of Instruction
13119	Combined Common Edits/Enhancements Modules (CCEM) Code Set Update
13120	Issued to a specific audience, not posted to Internet/Intranet due to a Sensitivity of Instruction
13122	April Quarterly Update for 2025 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule
13126	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13129	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13134	April 2025 Integrated Outpatient Code Editor (I/OCE) Specifications Version 26.1
13136	July 2025 Quarterly Average Sales Price (ASP) Medicare Part B Drug Pricing Files and Revisions to Prior Quarterly Pricing Files
13145	Quarterly Update for the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program (CBP) – July 2025
13149	Quarterly Update to the Medicare Physician Fee Schedule Database (MPFSDB) – April 2025 Update
13150	Internet Only Manual (IOM) Update to 100-04 Chapter 13, Section 90.3 - Transportation Component (HCPCS Codes R0070 - R0075) and Chapter 23, Section 30.5 - Payment Amounts for Portable X-Ray Transportation Services
13152	April 2025 Update of the Ambulatory Surgical Center [ASC] Payment System
13160	April Quarterly Update for 2025 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule
13161	Instructions for Downloading the Medicare ZIP Code File for April 2025 Files
13162	January 2025 Integrated Outpatient Code Editor (I/OCE) Specifications Version 26.0
13166	Modifications to the National Coordination of Benefits Agreement (COBA) Crossover Process
13170	July 2025 Quarterly Update to Healthcare Common Procedure Coding System (HCPCS) Codes Used for Skilled Nursing Facility (SNF) Consolidated Billing (CB) Enforcement
13178	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13181	April 2025 Update of the Ambulatory Surgical Center (ASC) Payment System
13186	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13190	Hospice Claims Billed by Terminated Hospices
13191	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13192	Quarterly Update for Clinical Laboratory Fee Schedule (CLFS) and Laboratory Services Subject to Reasonable Charge Payment
13089	Manual Updates Regarding Home Health Adjustments and Skilled Nursing Facility, Home Health and Hospice Pricer Information
13194	Instructions for Downloading the Medicare ZIP Code File for July 2025 Files
13195	April 2025 Integrated Outpatient Code Editor (I/OCE) Specifications Version 26.1
13200	Updates to Medicare Claims Processing Manual for Rural Health Clinics (RHC) and Federally Qualified Health Centers (FQHC) Chapter 9
13201	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13209	National Coverage Determination (NCD) 210.15 - Pre-Exposure Prophylaxis (PrEP) for Human Immunodeficiency Virus (HIV) Prevention
13213	Quarterly Update to the Medicare Physician Fee Schedule Database (MPFSDB) - July 2025 Update
13214	Quarterly Update to Home Health (HH) Grouper
13215	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13216	Update to Several Sections of the Internet-Only Manual (IOM) Publication (Pub.) 100-04, Medicare Claims Processing Manual, Chapter 23 - Fee Schedule Administration and Coding Requirements

13218	New Waived Tests
13220	Update to Publication 100-04 Medicare Claims Processing Manual Chapter 21 Medicare Summary Notices (MSN) English Exhibits for Envelope Changes Described in Previously Issued Change Request
13221	File Conversions Related to the Spanish Translation of the Healthcare Common Procedure Coding System (HCPCS) Descriptions
13223	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13227	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13231	Annual Updates to the Prior Authorization/Pre-Claim Review Federal Holiday Schedule Tables for Generating Reports
13241	Quarterly Update to the End Stage Renal Disease Prospective Payment System (ESRD PPS)
13242	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13243	Technical Revisions Only to the Claims Processing Manual (CPM), Publication (Pub) 100-04, Chapter 18 and Chapter 32
13246	National Coverage Determination (NCD) 20.36 Implantable Pulmonary Artery Pressure Sensors for Heart Failure Management
13248	Omnibus Change Request (CR) Covering Updates for the Medicare Physician Fee Schedule (MPFS) Rule 2025: (1) Updates to Colorectal Cancer Screening and Hepatitis B Vaccine Policies
13249	October 2025 Healthcare Common Procedure Coding System (HCPCS) Quarterly Update Reminder
13253	Implement Operating Rules - Phase III Electronic Remittance Advice (ERA) Electronic Funds Transfer (EFT): Committee on Operating Rules for Information Exchange (CORE) 360 Uniform Use of Claim Adjustment Reason Codes (CARC), Remittance Advice Remark Codes (RARC) and Claim Adjustment Group Code (CAGC) Rule - Update from Council for Affordable Quality Healthcare (CAQH) CORE
13254	Combined Common Edits/Enhancements Modules (CCEM) Code Set Update
13255	Internet-Only Manual (IOM) Update: Addition of Section 70.2 to Publication 100-04, Chapter 17 –Billing Zero Charges for Drug Line Items Provided at No Cost
13256	July 2025 Integrated Outpatient Code Editor (I/OCE) Specifications Version 26.2
13257	July Quarterly Update for 2025 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule
13258	July 2025 Update of the Hospital Outpatient Prospective Payment System (OPPS)
13259	July 2025 Update of the Ambulatory Surgical Center [ASC] Payment System
13260	October 2025 (2026 File) Update of the International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM)
13269	Instructions for Downloading the Medicare ZIP Code File for October 2025 Files
13271	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13272	Updates to No Legal Obligation to Pay for or Provide Services and Examples of Application of Government Entity Exclusion (Pub. 100-02, chapter 16, sections 40 and 50.3.3 and newly created section 40.7) and Claims Submitted for Items or Services Furnished to Medicare Beneficiaries in State or Local Custody Under a Penal Authority (Pub. 100-04, chapter 1, section 10.4)
13275	Quarterly Update to the National Correct Coding Initiative (NCCI) Procedure-to-Procedure (PTP) Edits, Version 31.3, Effective October 1, 2025
13276	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13277	July Quarterly Update for 2025 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule
13278	Changing the Frequency of No-Pay Medicare Summary Notice (MSN) Mailings from Every 90 Days to Every 120 Days
13279	Inpatient Rehabilitation Facility (IRF) Annual Update: Prospective Payment System (PPS) Pricer Changes for Fiscal Year (FY) 2026
13280	Medicare Part A Skilled Nursing Facility (SNF) Prospective Payment System (PPS) Pricer Update Fiscal Year (FY) 2026
13281	Fiscal Year (FY) 2026 Annual Update to the Medicare Code Editor (MCE) and International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM) and Procedure Coding System (ICD-10-PCS
13282	National Coverage Determination (NCD) 20.36 Implantable Pulmonary Artery Pressure Sensors for Heart Failure Management
13283	April Quarterly Update for 2025 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule
13284	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13287	Updates to Chapter 1 of the Medicare Claims Processing Manual (Publication (Pub.) 100-04) to Include Newly Created and Utilized Payer Only Codes
13289	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
Medicare Secondary Payer (CMS-Pub. 100-05)	
13156	The Recovery and Adjustment of Medicare Claims where the Department of Veteran Affairs (VA) also Made Payment Using the Medicare Duplicate Payment (DP) Process
13168	Updates to the Medicare Carrier System (MCS), the Viable Information Processing Systems Medicare Systems (VMS) and the Common Working File (CWF) Processes to Capture and Further Automate the Medicare Secondary Payer (MSP) Processes
13185	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13197	The Medicare Secondary Payer (MSP) Systems Contractor (MSPSC) and Common Working File (CWF) to Delete or Close Pre-Section 111 Non-Ongoing Responsibility for Medicals (ORM) Non-Group Health Plan (NGHP) MSP Records and to Purge all MSP Records that Contain an 'N' Validity Indicator
13210	Changes to The Electronic Correspondence Referral System (ECRS) Web to Remove the Medigap Supplemental Type 'M' (Medigap) as a Valid Option from Batch Submissions
13236	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13262	Updates to the Medicare Carrier System (MCS), the Viable Information Processing Systems Medicare Systems (VMS) and the Common Working File (CWF) Processes to Capture and Further Automate the Medicare Secondary Payer (MSP) Processes
Medicare Financial Management (CMS-Pub. 100-06)	

13167	Notice of New Interest Rate for Medicare Overpayments and Underpayments - 3rd Quarter Notification for FY 2025
13183	100-06 Internet Only Manual (IOM) Updates - Chapter 3 - Beneficiary Liability
13184	The Fiscal Intermediary Shared System (FISS) Submission of Copybook Files to the Provider and Statistical Reimbursement (PS&R) System
13196	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13222	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13234	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13235	Updates to the Internet Only Manual, Publication 100-06, Chapter 3, Overpayments, Sections 120 and 130
Medicare State Operations Manual (CMS-Pub. 100-07)	
	None
Medicare Program Integrity (CMS-Pub. 100-08)	
13077	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13110	Updates of Chapter 8 and Exhibit 16 in Publication (Pub.) 100-08, Including Unified Program Integrity Contractor (UPIC) Payment Suspension Protocols
13124	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13125	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13126	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13131	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13140	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13141	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13142	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13143	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13153	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13154	Removal of Gender References from CMS Publication (Pub.) 100-08, Chapter 10
13157	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13158	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13159	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13164	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13165	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13212	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13217	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13225	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13230	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13236	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13237	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13238	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13239	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13265	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13266	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13267	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13273	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13274	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
Medicare Contractor Beneficiary and Provider Communications (CMS-Pub. 100-09)	
13182	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
Medicare Quality Improvement Organization (CMS- Pub. 100-10)	
	None
Medicare Program of All Inclusive Care for the Elderly (CMS Pub. 100 11)	
	None
Medicare End Stage Renal Disease Network Organizations (CMS Pub 100-14)	
	None
Medicaid Program Integrity Disease Network Organizations (CMS Pub 100-15)	
13099	Updates of Appendices in Publication (Pub.) 100-15, Including Formatting Edits and Addition of State Vetting Form for the Managed Care Plan Project
13232	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
Medicare Managed Care (CMS-Pub. 100-16)	
	None
Medicare Business Partners Systems Security (CMS-Pub. 100-17)	
	None
Medicare Prescription Drug Benefit (CMS-Pub. 100-18)	
	None
Demonstrations (CMS-Pub. 100-19)	
13107	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13180	End Stage Renal Disease (ESRD) Treatment Choices (ETC) Model Demo Priorities - Additional Updates
13208	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13219	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13229	Accountable Care Organization (ACO) Primary Care Flex Model (ACO PC Flex Model)
One Time Notification (CMS-Pub. 100-20)	
12984	Payment Limitation for Certain Facility Healthcare Common Procedure

	Coding System (HCPCS) Codes Performed in Ambulatory Surgical Centers [ASC]
13093	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13094	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13112	User Management in the Medicare Adjudication Portal (MAP) for 837D Dental Claims
13144	Update the PCS Tool to Accept a New State Code File from CMS
13151	Extensions of Certain Temporary Changes to the Low-Volume Hospital Payment Adjustment and the Medicare-Dependent Hospital (MDH) Program under the Inpatient Prospective Payment System (IPPS) Provided by the Full-Year Continuing Appropriations and Extensions Act, 2025
13155	System for Tracking Audit and Reimbursement (STAR) Automation of the Medicare Cost Report Tentative Settlement Calculations
13157	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13158	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13159	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13163	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13171	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13172	Modifying Editing for Rural Health Clinics (RHC) and Federally Qualified Health Centers (FQHC) Hospice Physician Services When the Beneficiary has Medicare Advantage
13173	New Edit Implementation for Inpatient Psychiatric Facilities Prospective Payment System (IPF PPS) for Point of Origin (PoO) Admission or Visit Code "D" Related to the Emergency Department (ED) Adjustment Policy
13174	Issued to a specific audience, not posted to Internet/Intranet due to a Sensitivity of Instruction
13176	Rejections in the Medicare Adjudication Portal (MAP)
13177	Update End Stage Renal Disease (ESRD) Treatment Choices (ETC) Model Change Requests (CRs) to Exclude Acute Kidney Injury (AKI)
13179	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13187	Create a New Adjustment Reason Code for Adjustments Created When the Provider Didn't Respond to an Additional Documentation Request (ADR)
13188	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13189	Update to the All-Inclusive Rate (AIR) Add-On Payment for High-Cost Drugs Provided by Indian Health Service (IHS) and Tribal Hospitals
13193	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13199	Allow Payment for Healthcare Common Procedure Coding System (HCPCS) Code G2211 when Certain Part B Preventive Services are Provided on the Same Day
13202	User Enhancement Change Request (UECR): ViPS Medicare System (VMS) - Update No Related Logic to Set Using FROM Date of Service (DOS)
13203	User Enhancement Change Request (UECR): Update Multi-Carrier System (MCS) Correspondence Entry (CE) Screens and MCS Desktop Tool (MCSDT) to Include Edit, Audit, Common Working File (CWF) - (EAC) Error Code Search Field
13204	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13205	Fiscal Intermediary Shared System (FISS) User Enhancement Change Request (UECR) - Allow Override for Reason Code 37221
13206	Fiscal Intermediary Shared System (FISS) User Enhancement Change Request (UECR) - Allow Override for Reason Code 31407
13207	Fiscal Intermediary Shared System (FISS) User Enhancement Change Request (UECR) - Modify the Healthcare Common Procedure Code (HCPC) Type of Bill (TOB) Table, MAP1151, to Allow Automation to Update Date Fields
13211	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13219	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13226	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13228	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13229	Accountable Care Organization (ACO) Primary Care Flex Model (ACO PC Flex Model)
13233	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13240	Implementation of the Award for the Jurisdiction A Durable Medical Equipment Medicare Administrative Contractor (JA DME MAC)
13244	Screening for Hepatitis C Virus (HCV) Health Insurance Portability and Accountability Act (HIPAA) Eligibility Transaction System (HETS) Coding Updates (Part 2 HETS Business Requirements for CR 14041)
13251	International Classification of Diseases, 10th Revision (ICD-10) and Other Coding Revisions to National Coverage Determinations (NCDs) - October 2025
13263	Issued to a specific audience, not posted to Internet/Intranet due to a Confidentiality of Instruction
13286	International Classification of Diseases, 10th Revision (ICD-10) and Other Coding Revisions to National Coverage Determinations (NCDs)—July 2025
Medicare Quality Reporting Incentive Programs (CMS- Pub. 100-22)	
	None
State Payment of Medicare Premiums (CMS-Pub.100-24)	
	None
Information Security Acceptable Risk Safeguards (CMS-Pub. 100-25)	
	None

For questions or additional information, contact Ronda Allen-Bonner (410-786-4657).

Addendum II: Regulation Documents Published in the Federal Register (April through June 2025)

Regulations and Notices

Regulations and notices are published in the daily **Federal Register**. To purchase individual copies or subscribe to the **Federal Register,** contact GPO at *www.gpo.gov/fdsys*. When ordering individual

copies, it is necessary to cite either the date of publication or the volume number and page number.

The **Federal Register** is available as an online database through GPO Access. The online database is updated by 6 a.m. each day the **Federal Register** is published. The database includes both text and graphics from Volume 59, Number 1 (January 2, 1994) through the present date and can be accessed at *http://www.gpoaccess.gov/fr/index.html*. The following website *http://www.archives.gov/federal-register/* provides information on how to access electronic editions, printed editions, and reference copies.

For questions or additional information, contact Gittel Treitel (410-786-4673).

Addendum III: CMS Rulings (April through June 2025)

CMS Rulings are decisions of the Administrator that serve as precedent final opinions and orders and statements of policy and interpretation. They provide clarification and interpretation of complex or ambiguous provisions of the law or regulations relating to Medicare, Medicaid, Utilization and Quality Control Peer Review, private health insurance, and related matters.

The rulings can be accessed at *https://www.cms.gov/medicare/regulations-guidance/cms-rulemaking/rulings*

For questions or additional information, contact Tiffany Lafferty (410-786-7548).

Addendum IV: Medicare National Coverage Determinations (April through June 2025)

Addendum IV includes completed national coverage determinations (NCDs), or reconsiderations of completed NCDs, from the quarter covered by this notice. Completed decisions are identified by the section of the NCD Manual (NCDM) in which the decision appears, the title, the date the publication was issued, and the effective date of the decision. An NCD is a determination by the Secretary for whether or not a particular item or service is covered nationally under the Medicare Program (title XVIII of the Act), but does not include a determination of the code, if any, that is assigned to a particular covered item or service, or payment determination for a particular covered item or service. The entries below include information concerning completed decisions, as well as sections on program and decision memoranda, which also announce decisions or, in some cases, explain why it was not appropriate to issue an NCD. Additional information on NCDs, including open NCDs and pending NCDs, can be found on the NCD Dashboard, which is posted on the CMS website at *https://www.cms.gov/medicare/coverage/determination-process*

For the purposes of this quarterly notice, we are providing only the specific updates to national coverage determinations (NCDs), or reconsiderations of completed NCDs published in the 3-month period.

For questions or additional information, contact Wanda Belle, MPA (410-786-7491).

Title	NCDM Section	Transmittal Number	Issue Date	Effective Date
N/A	N/A	N/A	N/A	N/A

Addendum V: FDA-Approved Category B Investigational Device Exemptions (IDEs) (April through June 2025)

(Inclusion of this addenda is under discussion internally.)

Addendum VI: Approval Numbers for Collections of Information (April through June 2025)

All approval numbers are available to the public at Reginfo.gov. Under the review process, approved information collection requests are assigned OMB control numbers. A single control number may apply to several related information collections. This information is available at *www.reginfo.gov/public/do/PRAMain.*

For questions or additional information, contact William Parham (410-786-4669).

Addendum VII: Medicare-Approved Carotid Stent Facilities (April through June 2025)

Addendum VII includes listings of Medicare-approved carotid stent facilities. All facilities listed meet CMS standards for performing carotid artery stenting for high-risk patients. On March 17, 2005, we issued our decision memorandum on carotid artery stenting. We determined that carotid artery stenting with embolic protection is reasonable and necessary only if performed in facilities that have been determined to be competent in performing the evaluation, procedure, and follow-up necessary to ensure optimal patient outcomes. We have created a list of minimum standards for facilities modeled in part on professional society statements on competency. All facilities must at least meet our standards in order to receive coverage for carotid artery stenting for high risk patients. For the purposes of this quarterly notice, we are providing only the specific updates that have occurred in the 3-month period. There were no additions, deletions, or editorial changes to the listing for Medicare-approved carotid stent facilities for this 3-month period. This information is available at: *http://www.cms.gov/MedicareApprovedFacilitie/CASF/list.asp#TopOfPage*

For questions or additional information, contact Sarah Fulton, MHS (410-786-2749).

Addendum VIII:
American College of Cardiology's National Cardiovascular Data Registry Sites (April through June 2025)

The initial data collection requirement through the American College of Cardiology's National Cardiovascular Data Registry (ACC-NCDR) has served to develop and improve the evidence base for the use of ICDs in certain Medicare beneficiaries. The data collection requirement ended with the posting of the final decision memo for Implantable Cardioverter Defibrillators on February 15, 2018.

For questions or additional information, contact Sarah Fulton, MHS (410-786-2749).

Addendum IX: Active CMS Coverage-Related Guidance Documents (April through June 2025)

CMS published three final guidance documents on August 7, 2024, to provide a framework for more predictable and transparent evidence development and encourage innovation and accelerate beneficiary access to new items and services. The documents are available at:

Coverage with Evidence Development: *https://www.cms.gov/medicare-coverage-database/view/medicare-coverage-document.aspx?mcdid=38*

CMS National Coverage Analysis Evidence Review: *https://www.cms.gov/medicare-coverage-database/view/medicare-coverage-document.aspx?mcdid=37*

Clinical Endpoints Guidance: Knee Osteoarthritis: *https://www.cms.gov/medicare-coverage-database/view/medicare-coverage-document.aspx?mcdid=36*

For questions or additional information, contact Lori Ashby, MA (410 786 6322).

Addendum X:
List of Special One-Time Notices Regarding National Coverage Provisions (April through June 2025)

There were no special one-time notices regarding national coverage provisions published in the 3-month period. This information is available at *http://www.cms.gov* .

For questions or additional information, contact JoAnna Baldwin, MS (410-786 7205).

Addendum XI: National Oncologic PET Registry (NOPR) (April through June 2025)

Addendum XI includes a listing of National Oncologic Positron Emission Tomography Registry (NOPR) sites. We cover positron emission tomography (PET) scans for particular oncologic indications when they are performed in a facility that participates in the NOPR.

In January 2005, we issued our decision memorandum on **positron emission tomography** (PET) scans, which stated that CMS would cover PET scans for particular oncologic indications, as long as they were performed in the context of a clinical study. We have since recognized the National Oncologic PET Registry as one of these clinical studies. Therefore, in order for a beneficiary to receive a Medicare-covered PET scan, the beneficiary must receive the scan in a facility that participates in the registry. There were no additions, deletions, or editorial changes to the listing of National Oncologic Positron Emission Tomography Registry (NOPR) in the 3-month period. This information is available at *http://www.cms.gov/MedicareApprovedFacilitie/NOPR/list.asp#TopOfPage.*

For questions or additional information, contact David Dolan, MBA (410-786-3365).

Addendum XII: Medicare-Approved Ventricular Assist Device (Destination Therapy) Facilities (April through June 2025)

Addendum XII includes a listing of Medicare-approved facilities that receive coverage for ventricular assist devices (VADs) used as destination therapy. All facilities were required to meet our standards in order to receive coverage for VADs implanted as destination therapy. On October 1, 2003, we issued our decision memorandum on VADs for the clinical indication of destination therapy. We determined that VADs used as destination therapy are reasonable and necessary only if performed in facilities that have been determined to have the experience and infrastructure to ensure optimal patient outcomes. We established facility standards and an application process. All facilities were required to meet our standards in order to receive coverage for VADs implanted as destination therapy.

For the purposes of this quarterly notice, we are providing only the specific updates to the list of Medicare-approved facilities that meet our standards that have occurred in the 3-month period. This information is available at *http://www.cms.gov/MedicareApprovedFacilitie/VAD/list.asp#TopOfPage.*

For questions or additional information, contact David Dolan, MBA, (410-786-3365).

Facility	Provider Number	Date of Initial Certification	Date of Re-certification	State
The following are new facilities.				
Novant Health Forsyth Medical Center 3333 Silas Creek Parkway Winston Salem, NC Other information:	340014	03/06/2025	n/a	NC

DNV ID #: C780685 Previous Re-certification Dates: n/a				
The following facilities have editorial changes (in bold).				
St. Joseph's Hospital, Inc. 3001 W. Dr. Martin Luther King Jr. Blvd. Tampa, FL 33607 Other information: DNV ID #: C530935; Previous Re-certification Dates: 02/28/2019; 03/10/2022	100075	02/28/2019	**02/13/2025**	FL
CHI St. Luke's Health Baylor College of Medicine Medical Center 6720 Bertner Avenue Houston, TX 77030 Other information: Joint Commission ID # 9098 Previous Re-certification Dates: 10/07/2008; 11/17/2010; 11/06/2012; 10/16/2014; 11/22/2016; 06/05/2021; 02/11/2023	420004	10/28/2003	**02/12/2025**	TX
Vanderbilt University Medical Center 1211 Medical Center Drive Nashville, TN 37232-2101 Other information: Joint Commission ID #7892 Previous Re-certification Dates: 04/20/2012; 03/11/2014; 04/05/2016; 05/08/2018; 04/28/2021; 12/07/2022	440039	10/28/2003	**01/16/2025**	TN
Newark Beth Israel Medical Center 201 Lyons Avenue Newark, NJ 07112 Other information: Joint Commission ID #5965 Previous Re-certification Dates: 04/01/2008; 03/24/2010; 03/16/2012; 04/08/2014; 06/07/2016; 05/22/2018; 9/11/2020; 06/30/2022	31002	02/06/2009	**06/02/2025**	NJ
University of Mississippi Medical Center 2500 North State Street Jackson, MS 39216 Other information: Joint Commission ID #: 8064 Previous Re-certification Dates: 08/16/2016; 08/08/2018; 05/20/21; 02/04/2023	250001	08-16-2016	**02/12/2025**	MS
Moses H. Cone Memorial Hospital Operating Corporation 1200 North Elm Street Greensboro, NC 27401-1020 Other information: Joint Commission ID #: 6504 Previous Re-certification Dates: 01/07/2014; 02/09/2016: 02/13/2018; 04/17/2021: 12/03/2022	340091	07/01/2014	**02/05/2025**	NC
Mission Hospital 509 Biltmore Avenue Asheville, NC 28801-4690 Other information: Joint Commission ID #: 6468 Previous Re-certification Dates: 05/17/2016; 04/14/2021: 11/16/2022	340002	06/09/2016	**01/29/2025**	NC
Scripps Memorial Hospital La Jolla 9888 Genesee Avenue La Jolla, CA 92037 Other information: Joint Commission ID #9880 Previous Re-certification Dates: 11/14/2012; 09/09/2014: 10/18/2016; 12/16/2020: 02/22/2023	050324	11/14/2012	**03/20/2025**	CA
Orlando Health Heart and Vascular Institute 201 N. Orange Street, Ste 537N Orlando, FL 32804 Other information: DNV ID# 10000497866-MCC-DNV-USA	100006	04/15/2022	**01/04/2025**	FL

Previous Re-certification Dates: 04/15/2022				
University of North Carolina Hospitals 101 Manning Drive Chapel Hill, NC 27514 Other information: Joint Commission ID #6478 Previous Re-certification Dates: 10/16/2008; 10/19/2010; 10/26/2012; 10/16/2014; 11/08/2016; 11/28/2018; 02/17/2021; 02/16/2023	340061	10/19/2010	**02/26/2025**	NC
Emory Saint Joseph's Hospital of Atlanta, Inc 5665 Peachtree Dunwoody Road Atlanta, GA 30342 Other information: Joint Commission ID #: 6652 Previous Re-certification Dates: 07/13/2010; 07/11/2012; 06/03/2014; 07/12/2016; 06/05/2018; 05/08/2021; 02/22/2023	110082	07/13/2010	**03/19/2025**	GA
Hospital of the University of Pennsylvania 3400 Spruce Street Philadelphia, PA 19104 Other information: Joint Commission ID #: 6129 Previous Re-certification Dates: 05/22/2008; 06/08/2010; 05/25/2012; 04/15/2014; 06/15/2016; 05/06/2021; 11/24/2022	390111	05/22/2008	**03/19/2025**	PA
OHSU 3181 SW Sam Jackson Park Rd. Portland, OR 97239 Other information: DNV ID # C778858 Previous Re-certification Dates: 11/11/2008; 02/15/2011; 02/12/2013; 03/03/2015; 04/18/2017; 5/17/2019; 04/22/2022	38-0009	11/11/2008	**04/09/2025**	OR
HCA Florida Largo Hospital 201 14th Street SW Largo, FL 33770 Other information: DNV # C533100 Previous Re-certification Dates: 04/04/2019; 05/05/2022	100248	04/04/2019	**05/01/2025**	FL
Tufts Medical Center 800 Washington Street Boston, MA 02111 Other information: Joint Commission ID #: 5518 Previous Re-certification Dates: 10/23/2008; 10/01/2010; 10/03/2012; 09/23/2014; 11/08/2016; 12/5/2018; 06/23/2021; 03/16/2023	220116	10/23/2008	**03/26/2025**	MA
University of Rochester/Strong Memorial Hospital 601 Elmwood Avenue Rochester, NY 14642 Other information: Joint Commission ID # 5856 Previous Re-certification Dates: 10/29/2023; 06/17/2008; 02/07/2010; 06/06/2012; 05/13/2014; 07/26/2016; 07/25/2018; 04/25/2023	330285	10/29/2003	**05/07/2025**	NY
University of Wisconsin Hospitals and Clinics Authority 600 Highland Avenue Madison, WI 53792 Other information: Previous Re-certification Dates: 08/05/2008; 08/24/2010; 08/07/2012; 07/17/2014; 08/09/2016; 6/4/21; 02/17/2023	520098	08/05/2008	**03/19/2025**	WI
Providence St. Vincent Medical Center 9205 SW Barnes Rd Portland, OR 97225 Other information: Joint Commission ID #9705 Previous Re-certification Dates: 12/06/2011;	380004	12/06/2011	**05/22/25**	OR

12/10/2013; 01/26/2016; 02/13/2018; 07/24/2021; 04/12/2023				

Addendum XIII: Lung Volume Reduction Surgery (LVRS) (January through March 2025)

Addendum XIII includes a listing of Medicare-approved facilities that are eligible to receive coverage for lung volume reduction surgery. Until May 17, 2007, facilities that participated in the National Emphysema Treatment Trial were also eligible to receive coverage. The following three types of facilities are eligible for reimbursement for Lung Volume Reduction Surgery (LVRS):

- National Emphysema Treatment Trial (NETT) approved (Beginning 05/07/2007, these will no longer automatically qualify and can qualify only with the other programs);
- Credentialed by the Joint Commission (formerly, the Joint Commission on Accreditation of Healthcare Organizations (JCAHO)) under their Disease Specific Certification Program for LVRS; and
- Medicare approved for lung transplants.

Only the first two types are in the list. For the purposes of this quarterly notice, there are no additions and deletions to a listing of Medicare-approved facilities that are eligible to receive coverage for lung volume reduction surgery. This information is available at *www.cms.gov/MedicareApprovedFacilitie/LVRS/list.asp#TopOfPage.*

For questions or additional information, contact Sarah Fulton, MHS (410-786-2749).

Addendum XIV: Medicare-Approved Bariatric Surgery Facilities (April through June 2025)

Addendum XIV includes a listing of Medicare-approved facilities that meet minimum standards for facilities modeled in part on professional society statements on competency. All facilities must meet our standards in order to receive coverage for bariatric surgery procedures. On February 21, 2006, we issued our decision memorandum on bariatric surgery procedures. We determined that bariatric surgical procedures are reasonable and necessary for Medicare beneficiaries who have a body-mass index (BMI) greater than or equal to 35, have at least one co-morbidity related to obesity and have been previously unsuccessful with medical treatment for obesity. This decision also stipulated that covered bariatric surgery procedures are reasonable and necessary only when performed at facilities that are: (1) certified by the American College of Surgeons (ACS) as a Level 1 Bariatric Surgery Center (program standards and requirements in effect on February 15, 2006); or (2) certified by the American Society for Bariatric Surgery (ASBS) as a Bariatric Surgery Center of Excellence (BSCOE) (program standards and requirements in effect on February 15, 2006).

There were no additions, deletions, or editorial changes to Medicare-approved facilities that meet CMS' minimum facility standards for bariatric surgery that have been certified by ACS and/or ASMBS in the 3-month period. This information is available at *www.cms.gov/MedicareApprovedFacilitie/BSF/list.asp#TopOfPage.*

For questions or additional information, contact Sarah Fulton, MHS (410-786-2749).

Addendum XV: FDG-PET for Dementia and Neurodegenerative Diseases Clinical Trials (April through June 2025)

There were no FDG-PET for Dementia and Neurodegenerative Diseases Clinical Trials published in the 3-month period.

This information is available on our website at *www.cms.gov/MedicareApprovedFacilitie/PETDT/list.asp#TopOfPage.*

For questions or additional information, contact David Dolan, MBA (410-786-3365).

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BILLING CODE 4120–01–C

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

Agency Information Collection Activities: Proposed Collection: Public Comment Request; Information Collection Request Title: Ending the HIV Epidemic Initiative Triannual Report, OMB No. 0915–0051—Extension

AGENCY: Health Resources and Services Administration (HRSA), Department of Health and Human Services.

ACTION: Notice.

SUMMARY: In compliance with the requirement for opportunity for public comment on proposed data collection projects of the Paperwork Reduction Act of 1995, HRSA announces plans to submit an Information Collection Request (ICR), described below, to the Office of Management and Budget (OMB). Prior to submitting the ICR to OMB, HRSA seeks comments from the public regarding the burden estimate, below, or any other aspect of the ICR.

DATES: Comments on this ICR should be received no later than October 6, 2025.

ADDRESSES: Submit your comments to *paperwork@hrsa.gov* or mail the HRSA Information Collection Clearance Officer, Room 14NWH04, 5600 Fishers Lane, Rockville, Maryland 20857.

FOR FURTHER INFORMATION CONTACT: To request more information on the proposed project or to obtain a copy of the data collection plans and draft instruments, email *paperwork@hrsa.gov* or call Samantha Miller, the HRSA Information Collection Clearance Officer, at (301) 443–3983.

SUPPLEMENTARY INFORMATION: When submitting comments or requesting information, please include the ICR title for reference.

Information Collection Request Title: Ending the HIV Epidemic (EHE) Initiative Triannual Report OMB No. 0915–0051—Extension.

Abstract: HRSA's Ryan White HIV/AIDS Program (RWHAP) funds and coordinates with cities, states, and local clinics/community-based organizations to deliver efficient and effective HIV care, treatment, and support services to low-income people with HIV. Since 1990, RWHAP has developed a comprehensive system of safety net providers who deliver high quality direct health care and support services to over half a million people with HIV—more than 50 percent of all people with diagnosed HIV in the United States. Nearly two-thirds of clients (patients) live at or below 100 percent of the Federal Poverty Level.[1]

The federal Ending the HIV Epidemic in the U.S. (EHE) initiative [2] focuses on reducing the number of new HIV infections in the United States to fewer than 3,000 per year.[3] Authorized by section 311(c) and title XXVI of the Public Health Service Act, this initiative began in fiscal year 2020 and focuses on providing awards to EHE providers in 48 counties, Washington, DC; San Juan, Puerto Rico; as well as seven states that have substantial rural burden of HIV. The EHE initiative efforts focus on the following four key strategies that together can end the HIV epidemic in the United States:

(1) Diagnose all people with HIV as early as possible.

(2) Treat people with HIV rapidly and effectively to reach sustained viral suppression.

(3) Prevent new HIV transmissions by using proven interventions, including pre-exposure prophylaxis and syringe services programs.

(4) Respond quickly to potential HIV outbreaks to get needed prevention and treatment services to people who need them.

The EHE initiative is a collaborative effort among key Department of Health and Human Services agencies, primarily HRSA, the Centers for Disease Control and Prevention, the National Institutes of Health, the Indian Health Service, and the Substance Abuse and Mental Health Services Administration. Through HRSA's RWHAP and Health Center Program, the agency has a leading role in helping diagnose, treat, prevent, and respond to end the HIV epidemic in the United States. HRSA is making a minor revision to a footnote to clarify an existing instruction. No new information will be collected.

In June 2024, HRSA awarded more than $147 million to 47 HRSA HIV/AIDS Bureau EHE recipients and two technical assistance providers to continue the efforts of the EHE initiative.[4] This funding helps states and metropolitan areas with the highest levels of HIV transmission link people with HIV who are either newly diagnosed, or are diagnosed but currently not in care, to essential HIV care, treatment, and support services, as well as to provide workforce training and technical assistance.

Need and Proposed Use of the Information: HRSA created a reporting module to support federal requirements to monitor and report on funds distributed through the EHE initiative. The EHE Triannual Report is an aggregate data report submitted three times a year by EHE recipients and providers of services. EHE-funded providers will report aggregate information on the number of clients receiving specific services and the number of clients who were prescribed antiretroviral medications in the 4-month reporting period. This module provides HRSA with frequent and timely data on EHE initiative progress by providing information on the number of clients who are reached through the EHE initiative. This will provide valuable information on the scope of outreach to new clients and clients who have had a lapse in service, which could be an indication of reengagement in care. This module will support project officer monitoring and HRSA's understanding of service provisions. Finally, the information collected in the EHE Triannual Report will complement the annual information collected through the RWHAP Services Report and other reporting mechanisms and support HRSA to monitor EHE initiative activities and assess progress toward meeting national goals for ending the HIV epidemic.

Likely Respondents: RWHAP Part A and Part B recipients and subrecipients funded by the EHE initiative.

Burden Statement: Burden in this context means the time expended by persons to generate, maintain, retain, disclose, or provide the information requested. This includes the time needed to review instructions; to develop, acquire, install, and utilize technology and systems for the purpose of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information; to search data sources; to complete and review the collection of information; and to transmit or otherwise disclose the information. The total annual burden

[1] HRSA. Ryan White HIV/AIDS Program Data Report, 2020.

[2] *https://www.hiv.gov/federal-response/ending-the-hiv-epidemic/overview*

[3] HRSA. Ending the HIV Epidemic in the U.S. *https://www.hrsa.gov/ending-hiv-epidemic.* Accessed July 12, 2022.

[4] HRSA. FY24 HIV/AIDS Bureau HAB EHE Initiative Awards. *https://ryanwhite.hrsa.gov/about/parts-and-initiatives/fy24-ending-hiv-epidemic-awards.* Accessed July 22, 2025.

hours estimated for this ICR are summarized in the table below.

TOTAL ESTIMATED ANNUALIZED BURDEN HOURS

Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
EHE Module	942	3	2,826	2	5,652
Total	942		2,826		5,652

HRSA specifically requests comments on (1) the necessity and utility of the proposed information collection for the proper performance of the agency's functions; (2) the accuracy of the estimated burden; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

Maria G. Button,

Director, Executive Secretariat.

[FR Doc. 2025–14790 Filed 8–4–25; 8:45 am]

BILLING CODE 4165–15–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

Agency Information Collection Activities: Proposed Collection; Public Comment Request; Information Collection Request Title: Application and Other Forms Used by the National Health Service Corps Scholarship Program, the National Health Service Corps Students To Service Loan Repayment Program, and the Native Hawaiian Health Scholarship Program—OMB No. 0915–0146—Revision

AGENCY: Health Resources and Services Administration (HRSA), Department of Health and Human Services.

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, HRSA announces plans to submit an Information Collection Request (ICR), described below, to the Office of Management and Budget (OMB). Prior to submitting the ICR to OMB, HRSA seeks comments from the public regarding the burden estimate, below, or any other aspect of the ICR.

DATES: Comments on this ICR should be received no later than October 6, 2025.

ADDRESSES: Submit your comments to *paperwork@hrsa.gov* or mail the HRSA Information Collection Clearance Officer, Room 14NWH04, 5600 Fishers Lane, Rockville, Maryland 20857.

FOR FURTHER INFORMATION CONTACT: To request more information on the proposed project or to obtain a copy of the data collection plans and draft instruments, email *paperwork@hrsa.gov* or call Samantha Miller, the HRSA Information Collection Clearance Officer, at (301) 443–3983.

SUPPLEMENTARY INFORMATION: When submitting comments or requesting information, please include the ICR title for reference.

Information Collection Request Title: Application and Other Forms Used by the National Health Service Corps (NHSC) Scholarship Program, the NHSC Students to Service Loan Repayment Program, and the Native Hawaiian Health Scholarship Program, OMB No. 0915–0146–Revision.

Abstract: Administered by HRSA's Bureau of Health Workforce, the NHSC Scholarship Program (SP), the NHSC Students to Service Loan Repayment Program (S2S LRP), and the Native Hawaiian Health Scholarship Program (NHHSP) provide scholarships or loan repayment to qualified students who are pursuing primary care health professions education and training. In return, students agree to provide primary health care services in underserved communities located in federally designated health professional shortage areas once they are fully trained and licensed health professionals. Awards are made to applicants who demonstrate the greatest potential for successful completion of their education and training as well as commitment to provide primary health care services to communities of greatest need. The information from program applications, forms, and supporting documentation is used to select the best qualified candidates for these competitive awards, and to monitor program participants' enrollment in school, postgraduate training, and compliance with program requirements.

Although some program forms vary from program to program (see program-specific burden charts below), required forms generally include a program application, academic and non-academic letters of recommendation, authorization to release information, and the acceptance/verification of good academic standing report. The NHSC SP and the NHSC S2S LRP have added two forms for this information collection request, which include a Proof of Citizenship document and an Essay. Additionally, the process used to monitor program participants while in school via the Enrollment Verification Form has been modernized and renamed as In-School Verification, which will allow program participants to verify their enrollment status electronically, bringing efficiency to the process. The NHHSP is not seeking to change or add any forms or documentation.

Need and Proposed Use of the Information: The NHSC SP, S2S LRP, and NHHSP applications, forms, and supporting documentation are used to collect necessary information from applicants and schools that enable HRSA to make selection determinations for the competitive awards and monitor compliance (via training programs and sites) with program requirements.

Likely Respondents: Qualified students who are pursuing education and training in primary care health professions and are interested in working in health professional shortage areas, schools at which such students are enrolled, and post graduate training programs/sites which such students will attend.

Burden Statement: Burden in this context means the time expended by persons to generate, maintain, retain, disclose, or provide the information requested. This includes the time needed to review instructions; to develop, acquire, install, and utilize technology and systems for the purpose of collecting, validating, and verifying

information, processing and maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information; to search data sources; to complete and review the collection of information; and to transmit or otherwise disclose the information. The total annual burden hours estimated for this ICR are summarized in the table below.

Total Estimated Annualized Burden Hours:

NHSC SP APPLICATION

Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
NHSC Scholarship Program Application	3,100	1	3,100	2.00	6,200.00
Letters of Recommendation	3,100	2	6,200	1.00	6,200.00
Proof of Citizenship	3,100	1	3,100	0.20	620.00
Essay	3,100	1	3,100	1.00	3,100.00
Authorization to Release Information	3,100	1	3,100	0.10	310.00
Acceptance/Verification of Good Standing Report	3,100	1	3,100	0.25	775.00
Verification of Disadvantaged Background Status	615	1	615	0.25	153.75
Total	*3,100		22,315		17,358.75

*Certain documents are submitted by a subset of respondents consistent with program requirements.

NHSC AWARDEES/SCHOOLS/POST GRADUATE TRAINING PROGRAMS/SITES

Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
Data Collection Worksheet	550	1	550	1.00	550.00
Post Graduate Training Verification Form	383	1	383	0.50	191.50
In-School Verification	1,275	4	5,100	0.10	510.00
Total	*1,275		6,033		1,251.50

*Please note that the same group of respondents may complete each form as necessary.

NHSC S2S LRP APPLICATION

Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
NHSC Students to Service LRP Application	348	1	348	2.00	696.00
Proof of Citizenship	348	1	348	0.10	34.80
Essay	348	1	348	1.00	348.00
Letters of Recommendation	348	1	348	2.00	696.00
Authorization to Release Information	348	1	348	0.10	34.80
Acceptance/Verification of Good Standing Report	348	1	348	0.25	87.00
Verification of Disadvantaged Background Status	115	1	115	0.25	28.75
Total	*348		2,203		1,925.35

*Certain documents are submitted by a subset of respondents consistent with program requirements.

NHHSP APPLICATION

Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
NHHSP Program Application	200	1	200	2.00	400.00
Letters of Recommendation	400	1	400	0.25	100.00
Authorization to Release Information	200	1	200	0.25	50.00
Acceptance/Verification of Good Standing Report	40	1	40	0.25	10.00
Scholar Enrollment Verification Form	40	4	160	0.50	80.00
Change in Program Curriculum Form	40	1	40	0.25	10.00
NHHSP Graduation Documentation Form	40	1	40	0.25	10.00
Total	*200		1,080		660.00

*Certain documents are submitted by a subset of respondents consistent with program requirements.

HRSA specifically requests comments on: (1) the necessity and utility of the proposed information collection for the proper performance of the agency's functions; (2) the accuracy of the estimated burden; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

Maria G. Button,

Director, Executive Secretariat.

[FR Doc. 2025–14791 Filed 8–4–25; 8:45 am]

BILLING CODE 4165–15–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Nursing Research; Notice of Meeting

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of a meeting of the National Advisory Council for Nursing Research.

The meeting will be open to the public as indicated below, with attendance limited to space available. Individuals who plan to attend and need special assistance, such as sign language interpretation or other reasonable accommodations, should notify the Contact Person listed below in advance of the meeting. The open session will be videocast and can be accessed from the NIH Videocasting and Podcasting website *https://videocast.nih.gov/watch=56882.*

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

Name of Committee: National Advisory Council for Nursing Research.

Date: September 9, 2025.

Open: 10:00 a.m. to 2:40 p.m.

Agenda: Call to Order; Council Open Discussion.

Address: National Institutes of Health, Building 31, 31 Center Drive, Bethesda, MD 20892 (Virtual Meeting).

Closed: 2:50 p.m. to 3:30 p.m.

Agenda: To review and evaluate grant applications.

Address: National Institutes of Health, 31 Center Drive, Bethesda, MD 20892.

Contact Person: Elizabeth Tarlov, Ph.D., RN, Director, Division of Extramural Science Programs (DESP), National Institute of Nursing Research, 6700B Rockledge Drive, Bethesda, MD 20892, (301) 496–8511, *elizabeth.tarlov@nih.gov.*

Any interested person may file written comments with the committee by forwarding the statement to the Contact Person listed on this notice. The statement should include the name, address, telephone number and when applicable, the business or professional affiliation of the interested person. Information is also available on the Institute's/Center's home page: *https://www.ninr.nih.gov/aboutninr/nacnr,* where an agenda and any additional information for the meeting will be posted when available.

(Catalogue of Federal Domestic Assistance Program Nos. 93.361, Nursing Research, National Institutes of Health, HHS)

Dated: July 31, 2025.

Bruce A. George,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2025–14787 Filed 8–4–25; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Supporting Fairness and Originality in NIH Research Applications

AGENCY: National Institutes of Health, HHS.

ACTION: Notice of Policy.

SUMMARY: The National Institutes of Health (NIH) is providing guidance to researchers on the appropriate usage of artificial intelligence (AI) to maintain the fairness and originality of NIH's research application process. NIH is also instituting a new policy limiting the number of applications that NIH will consider per principal investigator per calendar year.

DATES: This policy is effective for applications submitted to the September 25, 2025, receipt date and beyond.

FOR FURTHER INFORMATION CONTACT: Further information about this policy notice may be directed to Dr. Lyric Jorgenson, NIH Office of Science Policy, at (301) 496–6837 or (*SciencePolicy@od.nih.gov*).

SUPPLEMENTARY INFORMATION: The National Institutes of Health (NIH) is providing guidance to researchers on the appropriate usage of artificial intelligence (AI) to maintain the fairness and originality ofNIH's research application process. NIH is also instituting a new policy limiting the number of applications that NIH will consider per Principal Investigator per calendar year. NIH has recently observed instances of Principal Investigators submitting large numbers of applications, some of which may have been generated with AI tools.

While AI may be a helpful tool in reducing the burden of preparing applications, the rapid submission of large numbers of research applications from a single Principal Investigator may unfairly strain NIH's application review processes. The percentage of applications from Principal Investigators submitting an average of more than six applications per year is relatively low; however, there is evidence that the use of AI tools has enabled Principal Investigators to submit more than 40 distinct applications in a single application submission round.

NIH will continue to employ the latest technology in detection of AI-generated content to identify AI generated applications, but it is imperative that all NIH research applications are consistent with the NIH Grants Policy Statement (GPS) Section 2.l.2's (see: *https:l/grants.nih.govlgrants/policylnihgps/html5/section_2/2.1.2_recipient staffhtm*) expectation that institutions and affiliated research teams propose original ideas for funding. AI tools may be appropriate to assist in application preparation for limited aspects or in specific circumstances, but researchers should be aware that using AI comes with its own risks. AI use may result in plagiarism, fabricated citations, or other kinds of research misconduct. As a reminder, NIH oversees research misconduct investigations and acts on non-compliance (see: *https:/lgrants.nih.govlgrants/policy/nihgps/html5/section_4/4.1.27_research misconduct.htm*).

Policy

NIH will not consider applications that are either substantially developed by AI, or contain sections substantially developed by AI, to be original ideas of applicants. If the detection of AI is identified post award, NIH may refer the matter to the Office of Research Integrity to determine whether there is research misconduct while simultaneously taking enforcement actions (see: *https:l/www.ecfr.gov/currentltitle-2/subtitle-Alchapter-II/part-200/subpart-Dlsubiect-group-ECFR86b76dde0ele9dc/section-200.339*) including but not limited to disallowing costs, withholding future awards, wholly or in part suspending the grant, and possible termination.

NIH will only accept six new, renewal, resubmission, or revision applications from an individual Principal Investigator/Program Director or Multiple Principal Investigator for all council rounds in a calendar year. This policy applies to all activity codes except T activity codes and R13 Conference Grant Applications. Based on recent data, this limit wi11 affect a relatively small number of Principal Investigators while enabling the NIH to maintain consistently high-quality grant application review and appropriately steward taxpayer dollars.

Dated: July 30, 2025.

Matthew J. Memoli,

Principal Deputy Director, National Institutes of Health.

[FR Doc. 2025–14744 Filed 8–4–25; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Diabetes and Digestive and Kidney Diseases; Notice of Meeting

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of a meeting of the National Diabetes and Digestive and Kidney Diseases Advisory Council.

The meeting will be open to the public as indicated below, with attendance limited to space available. Individuals who plan to attend and need special assistance, such as sign language interpretation or other reasonable accommodations, should notify the Contact Person listed below in advance of the meeting. The open session will be videocast and can be accessed from the NIH Videocasting and Podcasting website (*http://videocast.nih.gov/*).

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

Name of Committee: National Diabetes and Digestive and Kidney Diseases Advisory Council.

Date: September 17, 2025.

Open: 12:30 p.m. to 3:15 p.m.

Agenda: Council Business and Concept Clearance.

Address: National Institutes of Health, Democracy II, National Institutes of Diabetes and Digestive and Kidney Diseases, 6707 Democracy Boulevard, Bethesda, MD 20892, (Virtual Meeting).

Break: 3:15 p.m. to 3:30 p.m.

Address: National Institutes of Health, Democracy II, National Institutes of Diabetes and Digestive and Kidney Diseases, 6707 Democracy Boulevard, Bethesda, MD 20892, (Virtual Meeting).

Closed: 3:30 p.m. to 4:00 p.m.

Agenda: Subcommittee Meetings: Diabetes, Endocrinology, and Metabolic Diseases; Digestive and Nutrition; Kidney, Urologic, and Hematologic Diseases.

Address: National Institutes of Health, Democracy II, National Institutes of Diabetes and Digestive and Kidney Diseases, 6707 Democracy Boulevard, Bethesda, MD 20892 (Virtual Meeting).

Break: 4:00 p.m. to 4:15 p.m.

Address: National Institutes of Health, Democracy II, National Institutes of Diabetes and Digestive and Kidney Diseases, 6707 Democracy Boulevard, Bethesda, MD 20892 (Virtual Meeting).

Closed: 4:15 p.m. to 4:30 p.m.

Agenda: Full council review and evaluation of Reports for Subcommittees and Consideration of Applications.

Address: National Institutes of Health, Democracy II, National Institutes of Diabetes and Digestive and Kidney Diseases, 6707 Democracy Boulevard, Bethesda, MD 20892 (Virtual Meeting).

Closed: 4:30 p.m. to 5:00 p.m.

Agenda: Executive Closed Session/Annual Intramural Research Program update.

Address: National Institutes of Health, Democracy II, National Institutes of Diabetes and Digestive and Kidney Diseases, 6707 Democracy Boulevard, Bethesda, MD 20892 (Virtual Meeting).

Contact Person: Karl F. Malik, Ph.D., Director, Division of Extramural Activities, National Institutes of Diabetes and Digestive and Kidney Diseases, 6707 Democracy Blvd., Room 7329, MSC 5452, Bethesda, MD 20892, (301) 594–4757, *malikk@niddk.nih.gov.*

Information is also available on the Institute's/Center's home page: *https://www.niddk.nih.gov/about-niddk/advisory-coordinating-committees/national-diabetes-digestive-kidney-diseases-advisory-council,* where an agenda and any additional information for the meeting will be posted when available.

(Catalogue of Federal Domestic Assistance Program Nos. 93.847, Diabetes, Endocrinology and Metabolic Research; 93.848, Digestive Diseases and Nutrition Research; 93.849, Kidney Diseases, Urology and Hematology Research, National Institutes of Health, HHS)

Dated: July 31, 2025.

Bruce A. George,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2025–14786 Filed 8–4–25; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Center for Complementary & Integrative Health; Notice of Meeting

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of a meeting of the National Advisory Council for Complementary and Integrative Health.

The meeting will be held as a virtual meeting and will be open to the public as indicated below. Individuals who plan to view the virtual meeting and need special assistance or other reasonable accommodations to view the meeting, should notify the Contact Person listed below in advance of the meeting. The meeting can be accessed from the NIH Videocast at the following link: *https://videocast.nih.gov/.*

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

Name of Committee: National Advisory Council for Complementary and Integrative Health.

Date: September 19, 2025.

Closed: 10:00 a.m. to 11:45 a.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, DEM 2, Suite 401, 6707 Democracy Boulevard, Bethesda, MD 20892, Virtual Meeting.

Open: 12:45 p.m. to 5:00 p.m.

Agenda: Reports and Updates about Recent and Ongoing NCCIH Led or Involved Activities by NCCIH staff and its Director.

Place: National Institutes of Health, DEM 2, Suite 401, 6707 Democracy Boulevard, Bethesda, MD 20892, Virtual Meeting.

Contact Person: Martina Schmidt, Ph.D., Director, Division of Extramural Activities, National Center for Complementary & Integrative Health, NIH, 6707 Democracy Blvd., Suite 401, Bethesda, MD 20892, (301) 594–3456, *schmidma@mail.nih.gov.*

Any interested person may file written comments with the committee by forwarding the statement to the Contact Person listed on this notice. The statement should be less than 700 words in length, and should include the name, email address, telephone number and when applicable, the business or professional affiliation of the interested person. Any member of the public may submit written comments no later than September 5, 2025 (14 days before the council meeting).

Information is also available on the Institute's/Center's home page: *https://nccih.nih.gov/about/naccih,* where an agenda and any additional information for the meeting will be posted when available.

(Catalogue of Federal Domestic Assistance Program Nos. 93.213, Research and Training in Complementary and Alternative Medicine, National Institutes of Health, HHS)

Dated: July 31, 2025.

Bruce A. George,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2025–14785 Filed 8–4–25; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meetings

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

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

Name of Committee: Center for Scientific Review Special Emphasis Panel Fellowships Panel 2: Neurodevelopment, Oxidative Stress and Synaptic Plasticity.

Date: September 4, 2025.

Time: 1:00 p.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

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

Meeting Format: Virtual Meeting.

Contact Person: Beata Buzas, Ph.D., Scientific Review Officer, Extramural Project Review Branch, Office of Extramural Activities, 6700B Rockledge Drive, Room 2116, MSC 6902, National Institute on Alcohol Abuse and Alcoholism, Bethesda, MD 20892, (301) 443–0800, *bbuzas@mail.nih.gov.*

Name of Committee: Risk, Prevention and Health Behavior Integrated Review Group Clinical Management in General Care Settings Study Section.

Date: October 20–21, 2025.

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

Agenda: To review and evaluate grant applications.

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

Meeting Format: Virtual Meeting.

Contact Person: Jessica Campbell Chambers, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (301) 496–5693, *jessica.chambers@nih.gov.*

Name of Committee: Oncology 2—Translational Clinical Integrated Review Group Clinical Oncology Study Section.

Date: October 20–21, 2025.

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

Agenda: To review and evaluate grant applications.

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

Meeting Format: Virtual Meeting.

Contact Person: Laura Asnaghi, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 6200, MSC 7804, Bethesda, MD 20892, (301) 443–1196, *laura.asnaghi@nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel Fellowships and Mentored Training: Gastroenterology and Related Disciplines.

Date: October 22–23, 2025.

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

Agenda: To review and evaluate grant applications.

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

Meeting Format: Virtual Meeting.

Contact Person: Jian Yang, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (301) 594–7799, *jian.yang@nih.gov.*

Name of Committee: Digestive, Kidney and Urological Systems Integrated Review Group Environmental Determinants of Disease Study Section.

Date: October 23–24, 2025.

Time: 8:30 a.m. to 7:00 p.m.

Agenda: To review and evaluate grant applications.

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

Meeting Format: Virtual Meeting.

Contact Person: Stacey Nicole Williams, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (301) 867–5309, *stacey.williams@nih.gov.*

Name of Committee: Molecular, Cellular and Developmental Neuroscience Integrated Review Group Neuronal Communications Study Section.

Date: October 23–24, 2025.

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

Agenda: To review and evaluate grant applications.

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

Meeting Format: Virtual Meeting.

Contact Person: Wenyan Han, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 1010D, Bethesda, MD 20892, (301) 594–2337 *wenyan.han@nih.gov.*

Name of Committee: Risk, Prevention and Health Behavior Integrated Review Group Interdisciplinary Clinical Care in Specialty Care Settings Study Section.

Date: October 23–24, 2025.

Time: 9:30 a.m. to 5:30 p.m.

Agenda: To review and evaluate grant applications.

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

Meeting Format: Virtual Meeting.

Contact Person: Abu Saleh Mohammad Abdullah, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (301) 827–4043, *abuabdullah.abdullah@nih.gov.*

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

Dated: July 31, 2025.

Bruce A. George,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2025–14788 Filed 8–4–25; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[Docket No. USCG–2025–0144]

Information Collection Request to Office of Management and Budget; OMB Control Number: 1625–0121

AGENCY: Coast Guard, DHS.

ACTION: Sixty-Day notice requesting comments.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995, the U.S. Coast Guard intends to submit an Information Collection Request (ICR) to the Office of Management and Budget (OMB), Office of Information and Regulatory Affairs (OIRA), requesting an extension of its approval for the following collection of information: 1625–0121, United States Coast Guard Academy Introduction Mission Program Application and Supplemental Forms; reinstatement with change. Since the last application of February 27, 2018, changes include updated submission dates and additional medical clearance questions for the application to ensure applicants are medically safe to train. The ICR describes the information we seek to collect from the public. Before submitting this ICR to OIRA, the Coast Guard is inviting comments as described below.

DATES: Comments must reach the Coast Guard on or before October 6, 2025.

ADDRESSES: You may submit comments identified by Coast Guard docket number [USCG–2025–0144] to the Coast Guard using the Federal eRulemaking Portal at *https://www.regulations.gov.* See the ''Public participation and request for comments'' portion of the **SUPPLEMENTARY INFORMATION** section for further instructions on submitting comments.

A copy of the ICR is available through the docket on the internet at *https://www.regulations.gov.* Additionally, copies are available from: COMMANDANT (CG–6P), ATTN: PAPERWORK REDUCTION ACT MANAGER, U.S. COAST GUARD, 2703 MARTIN LUTHER KING JR. AVE SE., STOP 7710, WASHINGTON, DC 20593–7710.

FOR FURTHER INFORMATION CONTACT: A.L. Craig, Office of Privacy Management, telephone (571) 607–4058, or email *hqs-dg-m-cg-61-pii@uscg.mil* for questions on these documents.

SUPPLEMENTARY INFORMATION:

Public Participation and Request for Comments

This notice relies on the authority of the Paperwork Reduction Act of 1995; 44 U.S.C. 3501 *et seq.,* chapter 35, as amended. An ICR is an application to OIRA seeking the approval, extension, or renewal of a Coast Guard collection of information (Collection). The ICR contains information describing the Collection's purpose, the Collection's likely burden on the affected public, an explanation of the necessity of the Collection, and other important information describing the Collection. There is one ICR for each Collection.

The Coast Guard invites comments on whether this ICR should be granted based on the Collection being necessary for the proper performance of Departmental functions. In particular, the Coast Guard would appreciate comments addressing: (1) the practical utility of the Collection; (2) the accuracy of the estimated burden of the Collection; (3) ways to enhance the quality, utility, and clarity of information subject to the Collection; and (4) ways to minimize the burden of the Collection on respondents, including the use of automated collection techniques or other forms of information technology.

In response to your comments, we may revise this ICR or decide not to seek an extension of approval for the Collection. We will consider all comments and material received during the comment period.

We encourage you to respond to this request by submitting comments and related materials. Comments must contain the OMB Control Number of the ICR and the docket number of this request, USCG–2025–0144, and must be received by October 6, 2025.

Submitting Comments

We encourage you to submit comments through the Federal eRulemaking Portal at *https://www.regulations.gov.* If your material cannot be submitted using *https://www.regulations.gov,* contact the person in the **FOR FURTHER INFORMATION CONTACT** section of this document for alternate instructions. Documents mentioned in this notice, and all public comments, are in our online docket at *https://www.regulations.gov* and can be viewed by following that website's instructions. We review all comments received, but we may choose not to post off-topic, inappropriate, or duplicate comments that we receive. Additionally, if you go to the online docket and sign up for email alerts, you will be notified when comments are posted.

We accept anonymous comments. Comments we post to *https://www.regulations.gov* will include any personal information you have provided. For more about privacy and submissions in response to this document, see DHS's eRulemaking System of Records notice (85 FR 14226, March 11, 2020).

Information Collection Request

Title: United States Coast Guard Academy Introduction Mission Program Application and Supplemental Forms.

OMB Control Number: 1625–0121.

Summary: This collection contains the application and all supplemental forms required to be considered as an applicant to the U.S. Coast Guard Academy Introduction Mission (AIM) Program.

Need: The information is needed to select applicants for participation in a one-week summer recruiting and training program for prospective Cadets interested in attending the U.S. Coast Guard Academy.

Forms:

USCGA–AIM1, Travel Update Form.

USCGA–AIM2, Scholarship Request.

USCGA–AIM3, Medical Release Form.

Respondents: Approximately 2,000 applicants apply annually to attend the AIM Program. Approximately 3,000 individuals will submit letters of recommendation for these applicants.

Frequency: Applicants must apply only once per year.

Hour Burden Estimate: The annual burden is estimated at 9,000 hours.

Authority: The Paperwork Reduction Act of 1995; 44 U.S.C. chapter 35, as amended.

Dated: May 13, 2025.

Kathleen Claffie,

Chief, Office of Privacy Management, U.S. Coast Guard.

[FR Doc. 2025–14736 Filed 8–4–25; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6546–N–01]

Announcement of Tenant Protection Voucher Funding Awards for Fiscal Year 2024 for the Housing Choice Voucher Program

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice of Fiscal Year 2024 awards.

SUMMARY: In accordance with the Department of Housing and Urban Development Reform Act of 1989, this document notifies the public of Tenant Protection Voucher (TPV) funding awards for Fiscal Year (FY) 2024 to public housing agencies (PHAs) under the Section 8 Housing Choice Voucher Program (HCVP). The purpose of this notice is to publish the names, addresses of awardees, and the amount of their non-competitive funding awards for assisting households affected by housing conversion actions, public housing relocations and replacements, and moderate rehabilitation replacements. This notice also includes a link to the TPV awards issued since FY 2020, which can be sorted by PHAs, project name and identification number, by category of TPVs such as Multifamily or Public Housing, and by state and by HUD regions.

FOR FURTHER INFORMATION CONTACT: Miguel A. Fontanez, Director, Financial Management Division, Office of Housing Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 Seventh Street SW, Room 4226, Washington, DC 20410–5000, telephone (202) 402–4212. HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.*

SUPPLEMENTARY INFORMATION: The regulations governing the HCVP are

published at 24 CFR 982. The purpose of the rental assistance program is to assist eligible families to pay their rent for decent, safe, and sanitary housing in the private rental market.

The FY 2024 awardees announced in this notice were provided HCVP tenant protection vouchers (TPVs) funds on an as-needed, non-competitive basis. TPV awards made to PHAs for program actions that displace families living in public housing were made on a first-come, first-served basis in accordance with PIH Notice 2021–07, ''Demolition and/or disposition of public housing property, eligibility for tenant-protection vouchers, and associated requirements.'' In addition, TPV awards for actions such as section 8 project-based contract expirations and terminations were made in accordance with PIH Notice 2024–16, ''Implementation of the Federal Fiscal Year (FFY) 2024 Funding Provisions for the Housing Choice Voucher Program.'' Lastly, awards for certain projects under the Second Component of the Rental Assistance Demonstration were provided consistent with PIH Notice H–2020–09 PIH–2020–23 (HA), REV–4, ''Rental Assistance Demonstration-Final Implementation, Revision 4.''

Announcements of special purpose voucher awards provided under the NOFA process for Mainstream, Designated Housing, Family Unification (FUP), and Veterans Assistance Supportive Housing (VASH) programs will be published in a separate **Federal Register** notice.

Awards published under this notice were provided (1) to assist families living in HUD-owned properties that are being sold; (2) to assist families affected by the expiration or termination of their Project-based Section 8 and Moderate Rehabilitation (including the Moderate Rehabilitation Single Room Occupancy for Homeless Individuals) program contracts; (3) to assist families in properties where the owner has prepaid certain HUD mortgages; (4) to provide relocation housing assistance in connection with the demolition of public housing; (5) to assist families in public housing developments that are scheduled for demolition in connection with a HUD-approved HOPE VI revitalization or demolition grant, and (6) to assist families consistent with PIH Notice 2019–01, ''Funding Availability for Set-Aside Tenant Protection Vouchers.''

A special administrative fee of $350 per occupied unit was provided to PHAs to compensate for any extraordinary HCVP administrative costs associated with the Multifamily Housing conversion actions.

The Department awarded new budget authority in the amount of $185,405,783 to recipients under all the above-mentioned categories for 14,488 tenant protection housing choice vouchers. For further information about these TPV awards, and for awards since FY 2020, please use the TPV Dashboard log using this link: *https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/fmd.* You can sort the awards by PHA, project name and identification number, and by state and HUD regions.

In accordance with Section 102(a)(4)(C) of the Department of Housing and Urban Development Reform Act of 1989 (103 Stat. 1987, 42 U.S.C. 3545), the Department is publishing the names, addresses of awardees, and their award amounts in Appendix A. The awardees are listed alphabetically by State for each type of TPV award.

Benjamin Hobbs,

Principal Deputy Assistant Secretary, Public and Indian Housing.

Section 8 Rental Assistance Programs Announcement of Awards for Fiscal Year 2024

PHA #	Housing Agency	Address	Units	HAP Award	Fee Award
Public Housing Tenant Protection Actions					
		Replacement - Section 18 Demo/Dispo		HAP	Not Applicable
CA003	CA: OAKLAND HOUSING AUTHORITY	1619 HARRISON ST, OAKLAND, CA 94612	19	$ 398,569	
CO016	CO: BOULDER CITY HSG AUTH	4800 BROADWAY, BOULDER, CO 80304	14	$ 61,845	
CT026	CT: MANCHESTER H A	24 BLUEFIELD DR, MANCHESTER TOWN, CT 06040	26	$ 305,663	
DE003	DE: NEWARK HOUSING AUTHORITY	313 E. MAIN STREET, NEWARK, DE 19711	4	$ 37,092	
FL003	FL: HA TAMPA	5301 WEST CYPRESS ST, TAMPA, FL 33607	75	$ 944,172	
FL005	FL: MIAMI DADE HOUSING AUTHORITY	701 NW 1ST COURT, 16TH FLOOR, MIAMI, FL 33136	596	$ 9,136,610	
FL047	FL: HA OF THE CITY OF FORT MYERS	4224 RENAISSANCE PRESERVE WAY, FORT MYERS, FL 33916	98	$ 1,101,442	
FL062	FL: PINELLAS COUNTY H/A	11479 ULMERTON ROAD, LARGO, FL 33778	11	$ 118,384	
FL066	FL: HIALEAH H/A	75 EAST 6TH STREET, HIALEAH, FL 33010	249	$ 3,780,507	
FL075	FL: CLEARWATER H/A	908 CLEVELAND STREET, CLEARWATER, FL 33755	2	$ 27,446	
FL139	FL: HA WINTER HAVEN	2670 AVENUE C SW, WINTER HAVEN, FL 33880	33	$ 326,288	
GA001	GA: HA AUGUSTA	P O BOX 3246 1435 WALTON WAY, AUGUSTA, GA 30914	270	$ 973,836	
GA901	GA: GEORGIA DEPT. OF COMMUNITY AFFAIRS-RENTAL ASSIST.	60 EXECUTIVE PARK SOUTH, NE SUITE 250, ATLANTA, GA 30329	27	$ 284,978	
IA020	IA: CITY OF DES MOINES MUNICIPAL HOUSING AGENCY	2309 EUCLID AVE, DES MOINES, IA 50310	14	$ 88,996	
IA038	IA: EVANSDALE MUNICIPAL HOUSING AUTH	119 MORRELL COURT, EVANSDALE, IA 50707	34	$ 173,588	
IL010	IL: GREATER METROPOLITAN AREA HSG OF ROCK ISLAND	621 17TH AVENUE, EAST MOLINE, IL 61244	90	$ 624,747	
IL011	IL: CITY OF DANVILLE HOUSING AUTHORITY	1607 CLYMAN LANE, DANVILLE, IL 61832	49	$ 308,935	
IL024	IL: HOUSING AUTHORITY OF JOLIET	6 SOUTH BROADWAY STREET, JOLIET, IL 60436	139	$ 1,853,415	
IL056	IL: HSG AUTHORITY OF THE COUNTY OF LAKE	33928 N. US HIGHWAY 45, GRAYSLAKE, IL 60030	26	$ 326,850	
IL090	IL: AURORA HOUSING AUTHORITY	1630 WEST PLUM STREET, AURORA, IL 60506	58	$ 713,122	
KS004	KS: WICHITA HOUSING AUTHORITY	455 N. MAIN, WICHITA, KS 67202	71	$ 460,429	
MA002	MA: BOSTON HOUSING AUTHORITY	52 CHAUNCY STREET, BOSTON, MA 02111	309	$ 5,144,877	
MA032	MA: NEWBURYPORT HOUSING AUTHORITY	25 TEMPLE STREET, NEWBURYPORT, MA 01950	50	$ 780,102	
MA033	MA: BROOKLINE HOUSING AUTHORITY	90 LONGWOOD AVE, BROOKLINE, MA 02146	12	$ 336,772	
MD002	MD: HOUSING AUTHORITY OF BALTIMORE CITY	417 EAST FAYETTE STREET, BALTIMORE, MD 21201	37	$ 516,936	
MD019	MD: HOUSING COMMISSION OF TALBOT COUNTY	900 DOVERBROOK, EASTON, MD 21601	105	$ 801,246	
ME003	ME: PORTLAND HSG AUTHORITY	14 BAXTER BOULEVARD, PORTLAND, ME 04101	5	$ 68,487	
ME020	ME: SOUTH PORTLAND HOUSING AUTHORITY	51 LANDRY CIRCLE, SOUTH PORTLAND, ME 04106	250	$ 3,423,116	
MI058	MI: LANSING HOUSING COMMISSION	419 CHERRY STREET, LANSING, MI 48933	44	$ 1,449,280	
MI073	MI: GRAND RAPIDS HSG. COMM.	1420 FULLER AVE SE, GRAND RAPIDS, MI 49507	10	$ 40,961	
MI186	MI: MONTCALM COUNTY HSG. COMM.	P.O. BOX 249, HOWARD CITY, MI 49329	40	$ 430,320	
MN002	MN: MINNEAPOLIS PHA	1001 WASHINGTON AVE NORTH, MINNEAPOLIS, MN 55401	4	$ 45,950	
MN151	MN: OLMSTED COUNTY HRA	2122 CAMPUS DRIVE SE, ROCHESTER, MN 55904	19	$ 177,047	
NC081	NC: HA ASHEBORO	338 W WAINMAN AVENUE PO BOX 609, ASHEBORO, NC 27204	71	$ 497,827	

Section 8 Rental Assistance Programs Announcement of Awards for Fiscal Year 2024

PHA #	Housing Agency	Address	Units	HAP Award	Fee Award
Public Housing Tenant Protection Actions					
ND014	ND: FARGO HOUSING AND REDEVELOPMENT AUTHORITY	PO BOX 430, FARGO, ND 58107	6	$ 32,526	
NE001	NE: OMAHA HOUSING AUTHORITY	1823 HARNEY STREET, OMAHA, NE 68102	10	$ 93,422	
NH006	NH: SOMERSWORTH HOUSING AUTHORITY	25 A BARTLETT AVENUE, SOMERSWORTH, NH 03878	27	$ 288,101	
NJ061	NJ: MILLVILLE HOUSING AUTHORITY	POST OFFICE BOX 803, MILLVILLE, NJ 08332	6	$ 15,029	
NV001	NV: CITY OF RENO HSG AUTHORITY	1525 EAST NINTH ST, RENO, NV 89512	89	$ 783,709	
NY005	NY: NEW YORK CITY HOUSING AUTHORITY	90 CHURCH STREET, 9TH FLOOR LEASED HOUSING, NEW YORK, NY 10007	4,508	$ 82,938,666	
NY041	NY: HA OF ROCHESTER	675 WEST MAIN STREET, ROCHESTER, NY 14611	57	$ 437,377	
NY054	NY: HA OF ITHACA	800 S PLAIN STREET, ITHACA, NY 14850	23	$ 229,199	
NY904	NY: NYS HSG TRUST FUND CORPORATION	38-40 STATE STREET, ALBANY, NY 12207	169	$ 2,242,583	
OH005	OH: DAYTON METROPOLITAN HA	400 WAYNE AVE POST OFFICE BOX 8750, DAYTON, OH 45401	161	$ 1,119,552	
OH015	OH: BUTLER MET.HA	4110 HAMILTON MIDDLETOWN ROAD, HAMILTON, OH 45011	107	$ 879,938	
OH038	OH: CLERMONT MET.HSG AUTH.	65 SOUTH MARKET STREET, BATAVIA, OH 45103	18	$ 133,627	
PA006	PA: ALLEGHENY COUNTY HOUSING AUTHORITY	625 STANWIX ST, 12TH FLOOR, PITTSBURGH, PA 15222	142	$ 1,060,383	
PA087	PA: ERIE COUNTY HOUSING AUTHORITY	120 S. CENTER, CORRY, PA 16407	128	$ 675,072	
SC001	SC: H/A OF CHARLESTON	20 FRANKLIN STREET, CHARLESTON, SC 29401	17	$ 359,040	
SC002	SC: HA COLUMBIA	1917 HARDEN STREET, COLUMBIA, SC 29204	13	$ 125,778	
SC007	SC: HA AIKEN	P O BOX 889, AIKEN, SC 29802	69	$ 110,146	
TN003	TN: KNOXVILLE COMMUNITY DEVEL CORP	P O BOX 3550, KNOXVILLE, TN 37927	7	$ 59,287	
TX014	TX: HOUSING AUTHORITY OF TEXARKANA	1611 N. ROBISON RD., TEXARKANA, TX 75501	20	$ 120,374	
TX027	TX: MC KINNEY HOUSING AUTHORITY	603 N. TENNESSEE ST., MC KINNEY, TX 75069	42	$ 566,743	
TX032	TX: TEXAS CITY HSG AUTHORITY	817 SECOND AVENUE NORTH, TEXAS CITY, TX 77590	50	$ 533,034	
TX197	TX: BAIRD HOUSING AUTHORITY	401 CHESTNUT, BAIRD, TX 79504	34	$ 22,053	
TX341	TX: HOUSING AUTHORITY OF TATUM	P.O. BOX 1066 200 FOREST ACRES, TATUM, TX 75691	66	$ 429,977	
UT003	UT: HOUSING AUTHORITY OF THE COUNTY OF SALT LAKE	3595 S. MAIN STREET, SALT LAKE CITY, UT 84115	23	$ 255,051	
VA003	VA: NEWPORT NEWS REDEVELOPMENT & HA	PO BOX 797, NEWPORT NEWS, VA 23607	88	$ 829,075	
VA006	VA: NORFOLK REDEVELOPMENT & H/A	555 E. MAIN STREET, 17TH FLOOR P.O. BOX 968, NORFOLK, VA 23501	78	$ 814,049	
VA020	VA: PETERSBURG REDEVELOPMENT & H/A	P.O. BOX 311 128 SO. SYCAMORE ST., PETERSBURG, VA 23803	66	$ 523,164	
WA008	WA: HOUSING AUTHORITY OF THE CITY OF VANCOUVER	2500 MAIN STREET, #200, VANCOUVER, WA 98660	114	$ 1,217,153	
WA017	WA: HOUSING AUTHORITY OF ASOTIN COUNTY	1212 FAIR STREET, CLARKSTON, WA 99403	4	$ 25,828	
WA036	WA: KITSAP COUNTY CONSOLIDATED HOUSING AUTHORITY	2244 NW BUCKLIN HILL RD, SILVERDALE, WA 98383	136	$ 3,593,880	
WA054	WA: PIERCE COUNTY HOUSING AUTHORITY	603 S POLK STREET PO BOX 45410, TACOMA, WA 98445	44	$ 566,078	
WI186	WI: BROWN COUNTY HA	100 N JEFFERSON STREET ROOM 608, GREEN BAY, WI 54301	91	$ 654,370	
WI901	WI: WISCONSIN HOUSING & ECONOMIC	DEVELOPMENT AUTHORITY P O BOX 1728, MADISON, WI 53701	44	$ 292,507	
WV037	WV: HOUSING AUTHORITY OF MINGO COUNTY	P O BOX 120 5026 HELENA AVENUE, DELBARTON, WV 25670		$ 304,051	
		Total for Replacement - Section 18 Demo/Dispo	**9,318**	**$ 138,090,657**	
		Mod Replacements			
CA067	CA: ALAMEDA COUNTY HSG AUTH	22941 ATHERTON STREET, HAYWARD, CA 94541	5	$ 108,466	
CA072	CA: SANTA CRUZ COUNTY HSG AUTH	2160 41ST AVE., CAPITOLA, CA 95010	6	$ 136,763	
CO002	CO: HSG AUTH OF PUEBLO	1414 NO. SANTA FE AVENUE, PUEBLO, CO 81003	6	$ 46,012	
FL005	FL: MIAMI DADE HOUSING AUTHORITY	701 NW 1ST COURT, 16TH FLOOR, MIAMI, FL 33136	20	$ 306,492	

Section 8 Rental Assistance Programs Announcement of Awards for Fiscal Year 2024

PHA #	Housing Agency	Address	Units	HAP Award	Fee Award
Public Housing Tenant Protection Actions					
IL022	IL: ROCKFORD HOUSING AUTHORITY	223 SOUTH WINNEBAGO STREET, ROCKFORD, IL 61102	15	$ 104,663	
MA023	MA: LYNN HOUSING AUTHORITY	10 CHURCH STREET, LYNN, MA 01902	18	$ 312,047	
MA901	MA: MASSACHUSETTS EXEC. OFFICE HOUSING & LIVABLE COMM	100 CAMBRIDGE STREET, BOSTON, MA 02114	52	$ 869,357	
ME005	ME: LEWISTON HOUSING AUTHORITY	1 COLLEGE STREET, LEWISTON, ME 04240	11	$ 91,208	
ME901	ME: MAINE STATE HSG AUTHORITY	353 WATER STREET, AUGUSTA, ME 04330	6	$ 56,047	
MT901	MT: MT DEPARTMENT OF COMMERCE	POB 200545 301 S. PARK, HELENA, MT 59620	18	$ 57,870	
ND012	ND: GRAND FORKS HOUSING AUTHORITY	1405 1ST AVENUE NORTH, GRAND FORKS, ND 58203	10	$ 50,841	
ND014	ND: FARGO HOUSING AND REDEVELOPMENT AUTHORITY	PO BOX 430, FARGO, ND 58107	16	$ 69,793	
NE001	NE: OMAHA HOUSING AUTHORITY	1823 HARNEY STREET, OMAHA, NE 68102	13	$ 121,449	
NJ912	NJ: NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS	101 SOUTH BROAD STREET POST OFFICE BOX 051, TRENTON, NJ 08625	4	$ 48,767	
NY060	NY: HA OF AMSTERDAM	52 DIVISION STREET, AMSTERDAM, NY 12010	6	$ 39,596	
NY091	NY: TOWN OF AMHERST	C/O BELMONT HOUSING RESOURCES 1195 MAIN STREET, BUFFALO, NY 14209	9	$ 54,072	
NY404	NY: CITY OF NIAGARA FALLS	COMMUNITY DEV DEPT PO BOX 69, 1022 MAIN ST, NIAGARA FALLS, NY 14302	4	$ 25,427	
OK073	OK: TULSA HOUSING AUTHORITY	P O BOX 6369, TULSA, OK 74148	41	$ 330,367	
PA018	PA: WESTMORELAND COUNTY HSG AUTHORITY	167 SOUTH GREENGATE ROAD, GREENSBURG, PA 15601	1	$ 7,543	
PA076	PA: NORTHAMPTON COUNTY HOUSING AUTH.	P.O. BOX 252 15 S. WOOD STREET, NAZARETH, PA 18064	20	$ 198,622	
SD016	SD: SIOUX FALLS HOUSING & REDEVELOPMENT COMMISSION	630 SOUTH MINNESOTA, SIOUX FALLS, SD 57104	50	$ 322,139	
TN006	TN: KINGSPORT HOUSING AND REDEVELOPMENT AUTHORITY	P O BOX 44, KINGSPORT, TN 37662	50	$ 245,915	
TN076	TN: HSG DEV AGENCY ELIZABETHTON	P. O. BOX 637, ELIZABETHTON, TN 37644	15	$ 49,183	
TX005	TX: HOUSTON HOUSING AUTHORITY	2640 FOUNTAIN VIEW, HOUSTON, TX 77057	56	$ 562,780	
TX006	TX: SAN ANTONIO HOUSING AUTHORITY	818 S. FLORES STREET PO BOX 1300, SAN ANTONIO, TX 78295	37	$ 311,945	
WA049	WA: HOUSING AUTHORITY OF THURSTON COUNTY	1206 12TH AVENUE SE, OLYMPIA, WA 98501	40	$ 428,141	
WI901	WI: WISCONSIN HOUSING & ECONOMIC	DEVELOPMENT AUTHORITY P O BOX 1728, MADISON, WI 53701	8	$ 53,183	
		Total for Mod Replacements	**537**	**$ 5,008,688**	
		Choice Neighborhood Relocation			
DE001	DE: WILMINGTON HOUSING AUTHORITY	400 N WALNUT STREET, WILMINGTON, DE 19801	28	$ 256,413	
FL005	FL: MIAMI DADE HOUSING AUTHORITY	701 NW 1ST COURT, 16TH FLOOR, MIAMI, FL 33136	52	$ 797,154	
FL047	FL: HA OF THE CITY OF FORT MYERS	4224 RENAISSANCE PRESERVE WAY, FORT MYERS, FL 33916	100	$ 1,123,920	
MA002	MA: BOSTON HOUSING AUTHORITY	52 CHAUNCY STREET, BOSTON, MA 02111	14	$ 313,675	
NC013	NC: HA DURHAM	330 E MAIN STREET PO BOX 1726, DURHAM, NC 27702	25	$ 229,545	
NE001	NE: OMAHA HOUSING AUTHORITY	1823 HARNEY STREET, OMAHA, NE 68102	153	$ 1,429,363	
TX432	TX: HOUSING AUTHORITY OF EL PASO COUNTY	P. O. BOX 279 650 E. AVENUE G NE., FABENS, TX 79838	64	$ 462,835	
VA006	VA: NORFOLK REDEVELOPMENT & H/A	555 E. MAIN STREET, 17TH FLOOR P.O. BOX 968, NORFOLK, VA 23501	30	$ 313,096	
		Total for Choice Neighborhood Relocation	**466**	**$ 4,926,001**	
		Replacement-Streamlined Voluntary Conversions			
CA074	CA: H.A. OF THE CITY OF LIVERMORE	3203 LEAHY WAY, LIVERMORE, CA 94550		$ 448,500	
ME011	ME: SANFORD HSG AUTHORITY	P.O. BOX 1008, SANFORD, ME 04073	121	$ 354,471	
NC065	NC: HA MONROE	504 HOUGH STREET PO BOX 805, MONROE, NC 28111	172	$ 2,122,411	
WA008	WA: HOUSING AUTHORITY OF THE CITY OF VANCOUVER	2500 MAIN STREET, #200, VANCOUVER, WA 98660	46	$ 532,757	
		Total for Replacement-Streamlined Voluntary Conversions	**339**	**$ 3,458,139**	

Section 8 Rental Assistance Programs Announcement of Awards for Fiscal Year 2024

PHA #	Housing Agency	Address	Units	HAP Award	Fee Award
Public Housing Tenant Protection Actions					
		Replacement-Section 18 RAD Blend			
FL005	FL: MIAMI DADE HOUSING AUTHORITY	701 NW 1ST COURT, 16TH FLOOR, MIAMI, FL 33136	67	$ 213,253	
IL026	IL: WAUKEGAN HOUSING AUTHORITY	215 S. MARTIN LUTHER KING AVE, WAUKEGAN, IL 60085	50	$ 215,640	
MD018	MD: ANNE ARUNDEL COUNTY HOUSING AUTH.	7885 GORDON COURT P.O. BOX 817, GLEN BURNIE, MD 21060	109	$ 1,640,755	
OH005	OH: DAYTON METROPOLITAN HA	400 WAYNE AVE POST OFFICE BOX 8750, DAYTON, OH 45401	12	$ 34,769	
TN001	TN: MEMPHIS HOUSING AUTHORITY	P.O. BOX 3664, MEMPHIS, TN 38103	330	$ 692,883	
		Total for Replacement-Section 18 RAD Blend	**568**	**$ 2,797,300**	
		SRO-Relocation/Replacement			
CA007	CA: COUNTY OF SACRAMENTO HOUSING AUTHORITY	801 12TH STREET, SACRAMENTO, CA 95814	9	$ 122,814	
KY001	KY: LOUISVILLE HOUSING AUTHORITY	420 SOUTH EIGHTH STREET, LOUISVILLE, KY 40203	24	$ 197,591	
ME005	ME: LEWISTON HOUSING AUTHORITY	1 COLLEGE STREET, LEWISTON, ME 04240	6	$ 33,163	
ME030	ME: AUGUSTA HSG AUTHORITY	33 UNION STREET SUITE 3, AUGUSTA, ME 04330	9	$ 52,203	
OR011	OR: HOUSING AUTHORITY OF THE CITY OF SALEM	360 CHURCH ST SE, SALEM, OR 97301	26	$ 255,853	
		Total for SRO-Relocation/Replacement	**74**	**$ 661,624**	
		MTW Relocation/Replacement			
CA008	CA: HOUSING AUTHORITY COUNTY OF KERN	601 24TH STREET, BAKERSFIELD, CA 93301	26	$ 216,122	
CO041	CO: FORT COLLINS HSG AUTH	1715 W. MOUNTAIN AVE, FORT COLLINS, CO 80521	15	$ 180,085	
		Total for MTW Relocation/Replacement	**41**	**$ 396,207**	
		Relocation (Sunset) - Section 18 Demo/Dispo			
PA006	PA: ALLEGHENY COUNTY HOUSING AUTHORITY	625 STANWIX ST, 12TH FLOOR, PITTSBURGH, PA 15222	5	$ 37,337	
		Total for Relocation (Sunset) - Section 18 Demo/Dispo	**5**	**$ 37,337**	
		Witness Relocation Assistance			
MD004	MD: MONTGOMERY CO HOUSING AUTHORITY	10400 DETRICK AVENUE, KENSINGTON, MD 20895	1	$ 27,720	
		Total for Witness Relocation Assistance	**1**	**$ 27,720**	
		Total for Public Housing	**11,349**	**$ 155,403,673**	
Multifamily Housing Conversion Actions					
		Termination/Opt-out Vouchers			
AL008	AL: HA SELMA	P O BOX 950, SELMA, AL 36702	12	$ 31,810	$ 2,100
AR031	AR: HSG AUTHORITY OF THE CITY OF HOT SPRINGS	1004 ILLINOIS PO BOX 1257, HOT SPRINGS, AR 71902	64	$ 324,948	$ 6,200
CA001	CA: SAN FRANCISCO HSG AUTH	1815 EGBERT AVE., SAN FRANCISCO, CA 94124	15	$ 168,729	$ 5,250
CA004	CA: CITY OF LOS ANGELES HSG AUTH	2600 WILSHIRE BLVD., 3RD FLOOR, LOS ANGELES, CA 90057	1	$ 4,076	$ 350
CO036	CO: LITTLETON HSG AUTH	5844 S DATURA ST, LITTLETON, CO 80120	20	$ 259,253	$ 3,800
CT001	CT: BRIDGEPORT HOUSING AUTHORITY	150 HIGHLAND AVENUE, BRIDGEPORT, CT 06604	10	$ 142,057	$ 3,500
CT004	CT: HSG AUTH OF CITY OF NEW HAVEN	360 ORANGE STREET, NEW HAVEN, CT 06511	12	$ 160,037	$ 4,200
FL005	FL: MIAMI DADE HOUSING AUTHORITY	701 NW 1ST COURT, 16TH FLOOR, MIAMI, FL 33136	348	$ 5,144,257	$ 85,750
GA006	GA: HA ATLANTA GA	230 JOHN WESLEY DOBBS AVE, NE, ATLANTA, GA 30303	61	$ 766,551	$ 21,350
GA901	GA: GEORGIA DEPT. OF COMMUNITY AFFAIRS-RENTAL ASSIST.	60 EXECUTIVE PARK SOUTH, NE SUITE 250, ATLANTA, GA 30329	37	$ 390,525	$ 3,600
IA107	IA: FORT DODGE HOUSING AGENCY	700 SOUTH 17TH STREET, FORT DODGE, IA 50501	49	$ 200,920	$ 15,750
IA108	IA: CITY OF MASON CITY	103 E. STATE ST SUITE 506, MASON CITY, IA 50401	35	$ 37,869	$ 4,550
IA113	IA: CITY OF CEDAR FALLS, IOWA	ATTN: DEVELOPMENTAL SERVICES 220 CLAY STREET, CEDAR FALLS, IA 50613	80	$ 506,851	$ 25,900
IA131	IA: CENTRAL IOWA REGIONAL HOUSING AUTH	1201 GATEWAY DRIVE, GRIMES, IA 50111	8	$ 47,958	$ 2,800
IN041	IN: MARION HOUSING AUTHORITY	601 SOUTH ADAMS STREET, MARION, IN 46953	14	$ 81,433	$ 4,900
IN047	IN: CRAWFORDSVILLE HOUSING AUTHORITY	220 E. MAIN STREET, CRAWFORDSVILLE, IN 47933	14	$ 72,059	$ 4,900
ME003	ME: PORTLAND HSG AUTHORITY	14 BAXTER BOULEVARD, PORTLAND, ME 04101	3	$ 41,092	$ 1,050

Section 8 Rental Assistance Programs Announcement of Awards for Fiscal Year 2024

PHA #	Housing Agency	Address	Units	HAP Award	Fee Award
Multifamily Housing Conversion Actions					
MI901	MI: MICHIGAN STATE HSG. DEV. AUTH.	P.O. BOX 30044, LANSING, MI 48909	254	$ 1,415,129	$ 84,400
MO001	MO: ST. LOUIS HOUSING AUTHORITY	3520 PAGE BOULEVARD, ST. LOUIS, MO 63106	100	$ 798,468	$ 35,000
MO002	MO: HOUSING AUTHORITY OF KANSAS CITY, MISSOURI	3822 SUMMIT, KANSAS CITY, MO 64111	95	$ 802,526	$ 33,250
MO206	MO: PHELPS COUNTY PHA	C/O MERAMEC REGIONAL PLANNING#4 INDUSTRIAL DRIVE, ST JAMES, MO 65559	24	$ 106,983	$ 6,650
NE153	NE: DOUGLAS COUNTY HOUSING AUTHORITY	5404 NORTH 107TH PLAZA, OMAHA, NE 68134	52	$ 395,872	$ 17,500
NJ912	NJ: NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS	101 SOUTH BROAD STREET POST OFFICE BOX 051, TRENTON, NJ 08625	53	$ 646,157	$ 9,600
NY001	NY: HA OF SYRACUSE	516 BURT STREET, SYRACUSE, NY 13202	7	$ 55,371	$ 2,450
NY005	NY: NEW YORK CITY HOUSING AUTHORITY	90 CHURCH STREET, 9TH FLOOR LEASED HOUSING, NEW YORK, NY 10007	20	$ 311,438	$ 7,000
NY433	NY: CITY OF JOHNSTOWN	CITY OF JOHNSTOWN C/O JOSEPH E. MASTRIANNI INC., 11 FEDERAL STREET, NY 12866	9	$ 47,948	$ 2,800
OH018	OH: STARK METROPOLITAN HOUSING AUTH.	400 EAST TUSCARAWAS STREET, CANTON, OH 44702	47	$ 296,756	$ 13,450
OH021	OH: SPRINGFIELD MET HA	101 WEST HIGH STREET, SPRINGFIELD, OH 45502	10	$ 13,739	$ 3,500
OH028	OH: ERIE MHA	322 WARREN STREET, SANDUSKY, OH 44870	40	$ 281,414	$ 14,000
OR034	OR: CENTRAL OREGON REGIONAL HOUSING AUTHORITY	405 SW 6TH STREET, REDMOND, OR 97756	22	$ 206,121	$ 7,000
PA006	PA: ALLEGHENY COUNTY HOUSING AUTHORITY	625 STANWIX ST, 12TH FLOOR, PITTSBURGH, PA 15222	40	$ 298,699	$ 6,800
PA024	PA: EASTON HOUSING AUTHORITY	157 SOUTH FOURTH STREET PO BOX 876, EASTON, PA 18044	12	$ 128,205	$ 4,200
PA081	PA: LEHIGH COUNTY HOUSING AUTHORITY	635 BROAD STREET, EMMAUS, PA 18049	25	$ 265,908	$ 8,750
SD016	SD: SIOUX FALLS HOUSING & REDEVELOPMENT COMMISSION	630 SOUTH MINNESOTA, SIOUX FALLS, SD 57104	48	$ 328,994	$ 16,800
TN903	TN: TENNESSEE HOUSING DEV AGENCY	502 DEADERICK STREET 3RD FLOOR, NASHVILLE, TN 37243	95	$ 289,123	$ 19,950
TX006	TX: SAN ANTONIO HOUSING AUTHORITY	818 S. FLORES STREET PO BOX 1300, SAN ANTONIO, TX 78295	74	$ 631,173	$ 25,900
VA040	VA: ACCOMACK-NORTHHAMPTON REGIONAL HOUSING AUTHORITY	PO BOX 387 23372 FRONT STREET, ACCOMAC, VA 23301	28	$ 167,311	$ 7,000
WI901	WI: WISCONSIN HOUSING & ECONOMIC	DEVELOPMENT AUTHORITY P O BOX 1728, MADISON, WI 53701	206	$ 1,308,750	$ 62,700
WV005	WV: PARKERSBURG HOUSING AUTHORITY	1901 CAMERON AVENUE, PARKERSBURG, WV 26101	8	$ 49,697	$ 2,450
WY002	WY: HOUSING AUTHORITY OF THE CITY OF CHEYENNE	3304 SHERIDAN AVENUE, CHEYENNE, WY 82009	20	$ 118,903	$ 6,650
		Total for Termination/Opt-out Vouchers	**2,072**	**$ 17,345,110**	**$ 593,750**
		TPV Set-Aside for At-Risk Households			
CA001	CA: SAN FRANCISCO HSG AUTH	1815 EGBERT AVE., SAN FRANCISCO, CA 94124	32	$ 880,754	$ 11,200
CA056	CA: SAN JOSE HOUSING AUTHORITY	505 WEST JULIAN STREET, SAN JOSE, CA 95110	56	$ 1,426,925	$ 19,600
DC001	DC: D.C. HOUSING AUTHORITY	303 7TH STREET, WASHINGTON, DC 20024	6	$ 124,194	$ 600
MA016	MA: CHELSEA HOUSING AUTHORITY	54 LOCKE STREET, CHELSEA, MA 02150	25	$ 506,328	$ 8,750
MD002	MD: HOUSING AUTHORITY OF BALTIMORE CITY	417 EAST FAYETTE STREET, BALTIMORE, MD 21201	24	$ 335,310	$ 4,800
MI064	MI: ANN ARBOR HOUSING COMMISSION	727 MILLER AVENUE, ANN ARBOR, MI 48103	66	$ 725,622	$ 13,200
MI901	MI: MICHIGAN STATE HSG. DEV. AUTH.	P.O. BOX 30044, LANSING, MI 48909	99	$ 841,116	$ 31,350
NY041	NY: HA OF ROCHESTER	675 WEST MAIN STREET, ROCHESTER, NY 14611	85	$ 285,490	$ 75,500
NY904	NY: NYS HSG TRUST FUND CORPORATION	38-40 STATE STREET, ALBANY, NY 12207	291	$ 3,856,211	$ 101,850
PA004	PA: ALLENTOWN HOUSING AUTHORITY	1339 ALLEN STREET, ALLENTOWN, PA 18102	100	$ 1,003,224	$ 35,000
PA012	PA: MONTGOMERY COUNTY HOUSING AUTHORITY	104 WEST MAIN STREET SUITE 1, NORRISTOWN, PA 19401	58	$ 302,059	$ 20,300
PA021	PA: LYCOMING COUNTY HOUSING AUTHORITY	1941 LINCOLN DRIVE, WILLIAMSPORT, PA 17701	6	$ 39,380	$ 2,100
TX470	TX: HOUSING AUTHORITY OF SAN ANGELO	420 E. 28TH STREET, SAN ANGELO, TX 76903	56	$ 399,974	$ 30,100
		Total for TPV Set-Aside for At-Risk Households	**904**	**$ 10,726,587**	**$ 354,350**

Section 8 Rental Assistance Programs Announcement of Awards for Fiscal Year 2024

PHA #	Housing Agency	Address	Units	HAP Award	Fee Award
Multifamily Housing Conversion Actions					
		Mod Rehab SRO - RAD			
CA067	CA: ALAMEDA COUNTY HSG AUTH	22941 ATHERTON STREET, HAYWARD, CA 94541	6	$ 128,857	$ 2,100
MA002	MA: BOSTON HOUSING AUTHORITY	52 CHAUNCY STREET, BOSTON, MA 02111	9	$ 201,648	$ 3,150
MA901	MA: MASSACHUSETTS EXEC. OFFICE HOUSING & LIVABLE COMM	100 CAMBRIDGE STREET, BOSTON, MA 02114	3	$ 48,433	$ 1,050
NY110	NY: THE CITY OF NEW YORK	DEPT OF HSG PRESERVATION & DEV 100 GOLD STREET ROOM 501, NEW YORK, NY 10038	71	$ 1,003,434	$ 22,450
PA012	PA: MONTGOMERY COUNTY HOUSING AUTHORITY	104 WEST MAIN STREET SUITE 1, NORRISTOWN, PA 19401	42	$ 273,416	$ 11,900
SC002	SC: HA COLUMBIA	1917 HARDEN STREET, COLUMBIA, SC 29204	32	$ 274,625	$ 3,200
		Total For Mod Rehab SRO - RAD	**163**	**$ 1,930,413**	**$ 43,850**
		Total for Multifamily Housing Conversion Actions	**3,139**	**$ 30,002,110**	**$ 991,950**
		Grand Total TPV HAP and Fees	**14,488**	**$ 185,405,783**	**$ 991,950**

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6552–N–01]

Waivers and Alternative Requirements for Community Development Block Grant Disaster Recovery (CDBG–DR) and Community Development Block Grant Mitigation (CDBG–MIT) Grantees

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This notice governs Community Development Block Grant disaster recovery (CDBG–DR) and Community Development Block Grant mitigation (CDBG–MIT) funds awarded under several appropriations acts identified in the Table of Contents. Specifically, this notice includes waivers and alternative requirements for the State of Louisiana; Kauai County, HI; and American Samoa in response to their submitted requests for waivers and alternative requirements for grants provided under the public laws cited in this notice.

DATES: Applicability Date: August 11, 2025.

FOR FURTHER INFORMATION CONTACT: Gerilee Bennett, Acting Director, Office of Disaster Recovery, U.S. Department of Housing and Urban Development, 451 7th Street SW, Room 7282, Washington, DC 20410, telephone number 202–708–3587 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit: *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.* Email inquiries may be sent to *disaster_recovery@hud.gov.*

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I. Authority to Grant Waivers

Each appropriations act cited in the Table of Contents authorizes the Secretary to waive or specify alternative requirements for any provision of any statute or regulation the Secretary administers in connection with the obligation by the Secretary, or use by the recipient, of grant funds, except for requirements related to fair housing, nondiscrimination, labor standards, and the environment. HUD may also exercise its regulatory waiver authority under 24 CFR 5.110, 91.600, and 570.5.

All waivers and alternative requirements authorized in this notice are based upon a request by a grantee to facilitate the use of the funds or a determination by the Secretary that good cause exists, and a determination by the Secretary that the waiver or alternative requirement is not inconsistent with the overall purposes of Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCDA). The basis for each waiver and alternative requirement is summarized in this notice.

II. Public Law 109–148, 109–234, 110–116 and 110–329 Waivers and Alternative Requirements

Waiver and Alternative Requirement for Program Income Provisions of Louisiana's 2005 and 2008 CDBG–DR Grants (State of Louisiana Only)

The Department received a request from the State of Louisiana to waive program income requirements for its 2005 and 2008 CDBG–DR grants and align program income requirements for these grants with the program income requirements included in the notice titled, *Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice,* published on January 8, 2025, at 90 FR 1754, as amended by

Memorandums 2025–02 [1] and 2025–03 [2] (''The Universal Notice''). As the State explained in its request, aligning program income requirements for these older grants with the program income requirements included in the Universal Notice will facilitate the use of its funds by allowing the State to invest in ongoing recovery activities, reduce administrative burden, and assist the State in ensuring ongoing compliance with program income requirements.

This waiver and alternative requirement, as described below, applies to the following CDBG–DR grants allocated to the State:

(1) CDBG–DR allocations for disasters occurring in 2005 funded by Public Law 109–148 and subject to the requirements published in 71 FR 7666 on February 13, 2006; 71 FR 34451 on June 14, 2006; 72 FR 10014 on March 6, 2007; 72 FR 48804 on August 24, 2007; 73 FR 46312 on August 8, 2008; and 73 FR 61148 on October 15, 2008;

(2) CDBG–DR allocations for disasters occurring in 2005 funded by Public Law 109–234 and subject to the requirements published in 71 FR 63337 on October 30, 2006, and 73 FR 46312 on August 8, 2008;

(3) CDBG–DR allocations for disasters occurring in 2005 funded by Public Law 110–116 and subject to the requirements published in 72 FR 70472 on December 11, 2007; and

(4) CDBG–DR allocations for disasters occurring in 2008 funded by Public Law 110–329 and subject to the requirements published in 73 FR 7244 on February 13, 2009, and 74 FR 41146 on August 14, 2009 (collectively, the ''Prior Notices'').

To align program income requirements across grants, the State requested application of Universal Notice program income provisions to its 2005 and 2008 CDBG–DR allocations. This would allow the State to retain program income received either before or after grant closeout, including any program income funds on hand at grant closeout, to further CDBG–DR activities. Whereas the Universal Notice provides that any program income received before or after closeout may be retained to further eligible CDBG–DR activities, the Prior Notices currently governing the disposition of program income under Louisiana's 2005 and 2008 CDBG–DR grants stipulate that any program income on hand at the time of grant closeout and any program income received following grant closeout will become program income under the State's most recent annual CDBG program grant. This provision from the Prior Notices hinders Louisiana's intent to invest in long-term recovery with program income generated by these older grants, precluding the State from closing these older grants lest it wish to relinquish any CDBG–DR program income on hand, and increase the administrative burden of implementing disparate program income requirements across CDBG–DR grants.

After reviewing the State's request and based on its explanation that a waiver is required to facilitate the use of its 2005 and 2008 CDBG–DR allocations, the Department is waiving the program income requirements established under the Prior Notices for the State of Louisiana's CDBG–DR allocations funded by Public Laws 109–148, 109–234, 110–116, and 110–329, and establishing as an alternative requirement the provisions in Sections III.B.12. and III.B.13. of the Universal Notice. In accordance with Sections III.B.12. and III.B.13., the State is required to expend all program income on hand before expending additional grant funds, track and report on program income before and after grant closeout, expend program income on eligible CDBG–DR activities, or otherwise transfer program income to an annual CDBG program with HUD approval, and comply with all applicable program income provisions related to revolving funds.

Accordingly, HUD is waiving section (1) at 71 FR 34454 (published on June 14, 2006) and section (12) at 74 FR 7251 (published on February 13, 2009) relative to program income alternative requirements and replacing these sections with Sections III.B.12 and III.B.13. of the Universal Notice:

''III.B.12. *Program income.* For state or local government grantees, HUD is waiving all applicable program income rules at 42 U.S.C. 5304(j), 24 CFR 570.489(e) and (f), 24 CFR 570.500, 24 CFR 570.504, and 24 CFR 570.509(a)(4) and providing the alternative requirement described below. Program income earned by Indian tribes that are subrecipients of state or local government grantees will be subject to the program income requirements for subrecipients of those grantees.

III.B.12.a. *Definition of program income.* ''Program income'' is defined as gross income generated from the use of CDBG–DR funds, except as provided in III.B.12.b. below, and received by state or local government grantees, including subrecipients. When program income is generated by an activity that is only partially assisted with CDBG–DR funds, the income shall be prorated to reflect the percentage of CDBG–DR funds used (*e.g.,* a single loan supported by CDBG–DR funds and other funds, or a single parcel of land purchased with CDBG–DR funds and other funds). If CDBG funds are used with CDBG–DR funds on an activity, any income earned on the CDBG portion would not be subject to the waiver and alternative requirement in the Universal Notice.

Program income includes, but is not limited to, the following:

(i) Proceeds from the disposition by sale or long-term lease of real property purchased or improved with CDBG–DR funds.

(ii) Proceeds from the disposition of equipment purchased with CDBG–DR funds.

(iii) Gross income from the use or rental of real or personal property acquired by state or unit of general local government grantees, including subrecipients, with CDBG–DR funds less costs incidental to generation of the income.

(iv) Gross income from the use or rental of real property owned by state or local government grantees, including subrecipient, that was constructed or improved with CDBG–DR funds, less costs incidental to generation of the income.

(v) Payments of principal and interest on loans made using CDBG–DR funds, including interest paid by borrowers on loans made from a revolving fund, as defined in section III.B.13.

(vi) Proceeds from the sale of loans made with CDBG–DR funds.

(vii) Proceeds from the sale of obligations secured by loans made with CDBG–DR funds.

(viii) Interest earned on program income pending disposition of the income, including interest earned on funds held in a revolving fund, as defined in section III.B.13.

(ix) Interest earned on lump sum drawdowns for financing of property rehabilitation activities as described in 24 CFR 570.513;

(x) Funds collected through special assessments made against non-

[1] Memorandum 25–02, ''Revisions made to the Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice published in the **Federal Register** (90 FR 1754) and Clarifications to the Allocations for Community Development Block Grant Disaster Recovery and Implementation of the CDBG–DR Consolidated Waivers and Alternative Requirements Notice Published in the **Federal Register** (90 FR 4759),'' published on March 19, 2025. Found at *https://www.hud.gov/sites/dfiles/CPD/documents/CPDbUniversalbnotice.pdf.*

[2] Memorandum 25–03, ''Revisions made to the Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice published in the **Federal Register** (90 FR 1754),'' published on March 31, 2025. Found at *https://www.hud.gov/sites/default/files/CPD/documents/CDBG-DR/3-31-2025UniversalNoticeChangesMemo.pdf.*

residential properties and properties owned and occupied by non-LMI [low- and moderate-income] households, where the special assessments are used to recover all or part of the CDBG–DR portion of a public improvement.

(xi) Gross income paid to a state or local government grantees, including subrecipients, from the ownership interest in a for-profit entity in which the income is in return for the provision of CDBG–DR assistance.

(xii) Any income received by state or local government grantees related to the CDBG–DR grant after closeout, including income received by subrecipients after closeout (see section II.D.12.e.).

III.B.12.b. *Program income—does not include.* Program income does not include the following:

(i) The total amount of funds that is less than $35,000 received over the life of the grant and retained by state or local government grantees, including subrecipients. Once a grantee, including subrecipients, meets or exceeds the $35,000 threshold, only funds over the threshold are considered program income and are subject to the requirements of the Universal Notice.

(ii) Amounts generated by activities eligible under section 105(a)(15) of the HCDA (42 U.S.C. 5305(a)(15) and carried out by an entity under the authority of section 105(a)(15) of the HCDA.

(iii) Income (except for interest described in 24 CFR 570.513) earned on grant advances from the U.S. Treasury; this income must be remitted to HUD for transmittal to the U.S. Treasury.

III.B.12.c. *Recording program income.* For state or local government grantees, including their subrecipients, the receipt and expenditure of program income shall be recorded using both DRGR and internal financial records as part of the financial transactions of the CDBG–DR grant.

III.B.12.d. *Retention of program income.* State grantees may permit local governments that receive or will receive program income to retain the program income but are not required to do so. Additionally, state or local government grantees may permit subrecipients that receive or will receive program income to retain the program income but are not required to do so. In all cases, program income retained by local governments or subrecipients is treated as additional CDBG–DR funds subject to the requirements of the Universal Notice.

The written agreement between the grantee and the subrecipient shall specify whether program income received is to be returned to the grantee or retained by the subrecipient. When program income is to be retained by the subrecipient, the agreement shall specify the activities that will be undertaken with program income and that all provisions of the written agreement shall apply to the specified activities. When the subrecipient retains program income, transfers of grant funds by the grantee to the subrecipient shall be adjusted according to the disbursement principles described in section III.B.12.e. Any program income on hand when the agreement expires, or received after the agreement's expiration, shall be paid to the grantee.

III.B.12.e. *Program income—use, close out, and transfer.* Program income received (and retained, if applicable) before or after closeout of the grant that generated the program income, and used to continue disaster recovery activities, is treated as additional CDBG–DR funds subject to the requirements of the Universal Notice and must be used in accordance with the grantee's Action Plan for disaster recovery. Grantees must substantially disburse program income before making additional withdrawals from the U.S. Treasury, except as provided in section III.B.13. State grantees may meet this requirement by carrying out activities directly or by distributing program income to local governments in accordance with the state's approved method of distribution, as provided in section I.C.1.e. Local government grantees may meet this requirement by carrying out activities directly as provided in section I.C.1.e.

Any income received by state or local government grantees related to the CDBG–DR grant after closeout, including income received by subrecipients after closeout, shall be treated as program income and shall be subject to the requirements of the Universal Notice, unless transferred to an annual CDBG program. If transferred to an annual CDBG program, the following rules apply:

(1) Program income received by state or local government grantees before or after closeout, including program income received by subrecipients, may be transferred by the state or local government grantees to the annual CDBG program before or after closeout of the grant that generated the program income. In all cases, the grantee must first seek and then receive HUD's approval;

(2) Any program income transferred will not be subject to the waivers and alternative requirements of the Universal Notice. Rather, those funds will be subject to the applicable regular CDBG program rules. Any other transfer of program income not specifically addressed in the Universal Notice may be carried out if the grantee first seeks and then receives HUD's approval; and

(3) CDBG–DR grantees must continue to report annually in DRGR on any program income received following closeout of the grant.

III.B.13. *Revolving funds.* State or local government grantees may establish revolving funds to carry out specific, identified activities. State grantees may also establish a revolving fund to distribute funds to a local government, including subrecipients, to carry out specific identified activities. A revolving fund, for these purposes, is a separate fund (with a set of accounts that are independent of other program accounts) established to carry out specific activities. These activities must generate payments used to support similar activities going forward. These payments to the revolving fund are program income and must be substantially disbursed from the revolving fund before additional grant funds are drawn from the U.S. Treasury for payments that could be funded from the revolving fund. Such program income is not required to be used or disbursed for nonrevolving fund activities. A revolving fund established by a CDBG–DR grantee shall not be directly funded or capitalized with CDBG–DR grant funds. Given that funds in a revolving loan fund, including interest earned on funds held in the revolving loan fund as well as interest paid by borrowers on loans made from the fund, are considered program income, grantees may transfer revolving loan funds before or after closeout, pursuant to section III.B.12.e.''

III. Public Law 117–43, 117–180, and 115–123 Waivers and Alternative Requirements

Waiver and Alternative Requirement for Calculating LMI Benefit for Infrastructure Projects for Louisiana's 2020 and 2021 CDBG–DR Grants and 2018 CDBG–MIT Grant (State of Louisiana Only).

The Department received a request and justification of good cause from the State of Louisiana to waive the requirements at 24 CFR 570.484 to the extent necessary to allow for the proportional costs of infrastructure projects to count towards meeting the overall benefit requirement of primarily benefiting LMI persons in service areas that are less than 51 percent LMI. This waiver request aligns with HUD's more recent policy established in its Universal Notice. Given that the Department has already included this provision in the Universal Notice, as amended, allowing this waiver and

alternative requirement for the State of Louisiana would allow the grantee to align requirements across their grant portfolio and invest in large-scale infrastructure projects that accurately report the proportional benefits to LMI residents.

This waiver and alternative requirement, as further described below, applies to the following CDBG–DR grants allocated to the State:

(1) A CDBG–DR allocation for disasters occurring in 2020 funded by Public Law 117–43 and subject to the requirements published in 87 FR 6364 on February 3, 2022; 87 FR 31636 on May 24, 2022; Memorandum 22–01 on December 7, 2022; Memorandum 23–01 on May 18, 2023; Memorandum 23–02 on June 28, 2023; and Memorandum 24–01 on January 22, 2024;

(2) CDBG–DR allocations for disasters occurring in 2021 funded by Public Laws 117–43 and 117–180 and subject to the requirements published in 88 FR 3198 on January 18, 2023; 87 FR 31636 on May 24, 2022; Memorandum 22–01 on December 7, 2022; Memorandum 23–01 on May 18, 2023; Memorandum 23–02 on June 28, 2023; and Memorandum 24–01 on January 22, 2024; and

(3) A CDBG–MIT allocation for disasters occurring in 2016 funded by Public Law 115–123 and subject to the requirements published in 84 FR 45838 on August 30, 2019; 85 FR 60821 on September 28, 2020; 87 FR 36869 on June 21, 2022; and 88 FR 44816 on July 13, 2023 (collectively, the ''Prior Notices'').

These Prior Notices require projects that use the low- and moderate-income area (LMA) benefit national objective to adhere to the national objective criteria at 24 CFR 570.208(a)(1) and 24 CFR 570.483(b)(1), in which the benefits of an LMA activity must be available to all the residents in a particular area, and at least 51 percent of those residents must be LMI. However, large-scale infrastructure projects with a broad service area present a challenge for meeting the LMA national objective criteria because the benefit area is so large and may result in the LMI population being less than 51 percent. As such, many infrastructure projects funded by the State of Louisiana through the allocations under these Prior Notices required use of the Urgent Need national objective where the service area was less than 51 percent LMI. In those cases, the State could not count any of the funds expended for such projects towards its overall benefit requirement—even when LMI persons were located in the service area.

The Prior Notices also retain an overall benefit requirement. Specifically, for the State's CDBG–DR allocations, it must comply with the overall benefit requirements in the HCDA and 24 CFR 570.484, and 70 percent of funds must be used for activities that benefit LMI persons. Conversely, for the State's CDBG–MIT allocation, the **Federal Register** notice at 84 FR 45856 waived the requirements at 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), and 24 CFR 570.484, instead providing that 50 percent of CDBG–MIT funds must benefit LMI persons. Since grantees' infrastructure needs and investments may represent a significant portion of their total CDBG–DR and CDBG–MIT allocations, grantees may not be able to meet the overall benefit requirement if their infrastructure activities can only meet the urgent need national objective.

The State of Louisiana reports that, to date, they have allocated over $1.7 billion to infrastructure projects with funds allocated under these Prior Notices. The state provided examples in their waiver request of infrastructure projects that currently comply with the Urgent Need national objective, which if this waiver were applied, would also count toward a proportional percentage of the overall benefit requirement, based on the LMI percentages of those service areas. These metrics would better reflect the true impact of infrastructure projects on LMI residents. The State of Louisiana also provided examples of infrastructure projects that they rejected, such as parish-wide water infrastructure projects or public fishing piers that serve entire communities, as they did not qualify as LMA due to their broad service areas. With the application of this waiver, the State can now consider funding more infrastructure projects such as these.

HUD understands that CDBG–DR and CDBG–MIT funds represent a significant opportunity for grantees to carry out strategic, high-impact, and innovative infrastructure activities that support recovery, mitigate disaster risks, and reduce future losses. After reviewing the State's request and based on the good cause provided herein, the Department is waiving the requirements at 24 CFR 570.484, only to the extent necessary, to add this alternative requirement: The State of Louisiana may count CDBG–DR and CDBG–MIT funds expended for infrastructure activities towards benefitting LMI persons and meeting the overall benefit requirement by multiplying the total cost (including CDBG–DR/CDBG–MIT and non-CDBG–DR/MIT costs) of the infrastructure activity by the percent of LMI persons in the service area, except that the amount counted shall not exceed the amount of CDBG–DR or CDBG–MIT funds provided. This flexibility will allow the State to continue to invest in large-scale infrastructure projects with large service areas and report the benefit to LMI persons in accordance with the 70 percent overall benefit requirement for the CDBG–DR grants and the 50 percent requirement for the CDBG–MIT grant.

IV. Public Law 116–20 Waivers and Alternative Requirements

Waiver and Alternative Requirement for an Internal Auditor for Kauai County's 2018 CDBG–DR Grant and 2018 CDBG–MIT Grant (Kauai County, HI only).

The Department received a request and justification of good cause from Kauai County to waive its requirements related to hiring an internal auditor aligning with HUD's more recent policy established in its Universal Notice. Given that the Department has already included this provision in the Universal Notice, as amended, allowing this waiver and alternative requirement for Kauai County would reduce administrative burden and save financial resources as its recovery is focused on providing assistance to a developer for the construction of affordable multifamily rental housing.

This waiver and alternative requirement, as further described below, applies to the following CDBG–DR and CDBG–MIT grants allocated to the County:

(1) CDBG–DR funds for disasters occurring in 2018 funded by Public Law 116–20 subject to the requirements published in 85 FR 4681 on January 27, 2020; 83 FR 5844 on February 9, 2018; 83 FR 40314 on August 14, 2018; 84 FR 4836 on February 19, 2019; 84 FR 28848 on June 20, 2019; 85 FR 50041 on August 17, 2020; and 88 FR 44816 on July 13, 2023; and

(2) CDBG–MIT funds for disasters occurring in 2018 under Public Law 116–20 subject to the requirements published in 86 FR 561 on January 6, 2021; 84 FR 45838 on August 30, 2019; and 85 FR 60821 on September 28, 2020 (collectively, the ''Prior Notices'').

The Prior Notices require the grantee to have an internal auditor that provides programmatic and financial oversight of CDBG–DR activities and to strengthen the internal audit functions for CDBG–MIT funds.

Specifically, for CDBG–DR funding, section VI.A.1.a.(6) at 83 FR 5848, published on February 9, 2018, requires grantees to demonstrate they have ''an internal auditor that provides both programmatic and financial oversight of grantee activities and includes a

document signed by the internal auditor that describes his or her role in detecting fraud, waste, and abuse.''

Relative to the county's CDBG–MIT funding, section V.A.1.a.(6)(iii) at 84 FR 45845, published on August 30, 2019, requires grantees to demonstrate they have ''Enhancements to the internal auditor function established for the grantee's CDBG–DR grant; or if the CDBG–MIT grant is to be administered by an agency that does not administer the CDBG–DR grant, how the internal auditor function is to be established and resourced. The internal audit function must provide both programmatic and financial oversight of grantee activities and the submission must include a document signed by the internal auditor that describes his or her role in detecting fraud, waste, and abuse.''

The grantee's CDBG–MIT funds are also subject to the requirements of 86 FR 561, published on January 6, 2021, which includes the following provision at section III.A. paragraph three, ''In the checklist [CDBG–MIT Certification Addendum C to the Public Law 116–20 and 115–254 CDBG–DR Financial Management and Grant Compliance Certification Checklist], a CDBG–MIT grantee must: Indicate how it will strengthen its internal audit function; specify the criteria for subrecipient selection and its plans to increase subrecipient monitoring, and establish a process for promptly identifying and addressing conflicts under the grantee's conflict of interest policy.''

CDBG–DR and CDBG–MIT grantees may request waivers and alternative requirements, as long as good cause is provided. Kauai County is requesting a waiver and alternative requirement, similar to the alternative requirement provided in section II.A.1.d. of HUD's Universal Notice, as amended, that exempts a grantee from hiring an internal auditor if the grant size is less than $100 million.

Given the targeted nature of the project—providing assistance to a developer for the vertical construction of affordable multifamily rental housing impacted by the 2018 disaster—the requirement to hire an internal auditor creates financial burden for Kauai County and limits funding available for its recovery. In order to protect the CDBG–DR investment, the grantee will include additional layers of financial oversight to uphold cost reasonableness, such as conducting a detailed review of the contract and cost estimate by a third-party construction consultant prior to starting construction. The project will also be required to have a cost certification completed by a CPA to convert the construction loan to permanent financing. Taken together, these factors indicate that the grantee's request is reasonable given that both its CDBG–DR and CDBG–MIT grants combined are less than $100 million, and that the approval of this waiver would result in saving financial resources and streamlining recovery efforts.

After reviewing Kauai County's request and based on the good cause provided herein, the Department finds that good cause exists to waive the audit requirements established in the Prior Notices to not require the hiring of an internal auditor for the grantee's CDBG–DR or CDBG–MIT grant since both grants together are less than $100 million. As an alternative requirement the grantee is subject to the requirement in section II.A.1.d.(iv) of the Universal Notice that states, ''if the grant size is $100 million or more, the grantee has or will employ an internal auditor that provides both programmatic and financial oversight of grantee activities and will adopt policies that describe the auditor's role in detecting and preventing fraud, waste, and abuse.'' This alternative requirement applies to CDBG–DR and CDBG–MIT funds under Public Law 116–20 for Kauai County *only*. As a reminder, the grantee must still have adequate procedures in place to detect and prevent fraud, waste, and abuse. Additionally, the grantee must continue providing on-going oversight and monitoring of subrecipients or developers, as applicable, to ensure compliance with all CDBG–DR and CDBG–MIT requirements.

V. Public Law 115–254 and Public Law 116–20 Waivers and Alternative Requirements

Waiver and Alternative Requirement for an Internal Auditor for American Samoa's 2018 CDBG–DR and 2018 CDBG–MIT Grant (American Samoa only).

The Department received a request and justification of good cause from American Samoa to waive internal auditor requirements in alignment with provisions established in the Universal Notice. Given that the Department has already included this provision in the Universal Notice, as amended, allowing this waiver and alternative requirement for American Samoa would reduce administrative burden and save financial resources as its recovery is focused on a single housing project.

This waiver and alternative requirement, as further described below, applies to the following CDBG–DR and CDBG–MIT grants allocated to American Samoa:

(1) CDBG–DR funds for disasters occurring in 2018 funded by Public Laws 115–254 and 116–20 subject to the requirements published in 85 FR 4681 on January 27, 2020; 83 FR 5844 on February 9, 2018; 83 FR 40314 on August 14, 2018; 84 FR 4836 on February 19, 2019; and 84 FR 28848 on June 20, 2019; 85 FR 50041 on August 17, 2020; and 88 FR 44816 on July 13, 2023; and

(2) CDBG–MIT funds for disasters occurring in 2018 under Public Law 116–20 subject to the requirements published in 86 FR 561 on January 6, 2021; 84 FR 45838 on August 30, 2019; and 85 FR 60821 on September 28, 2020 (collectively, the ''Prior Notices'').

The Prior Notices require the grantee to have an internal auditor that provides programmatic and financial oversight of CDBG–DR activities and to strengthen the internal audit functions for CDBG–MIT funds.

Specifically, for CDBG–DR funding, section VI.A.1.a.(6) at 83 FR 5848, published on February 9, 2018, requires grantees to demonstrate they have, ''an internal auditor that provides both programmatic and financial oversight of grantee activities and includes a document signed by the internal auditor that describes his or her role in detecting fraud, waste, and abuse.''

Relative to the grantee's CDBG–MIT funding, section V.A.1.a.(6)(iii) in 84 FR 45845, published on August 30, 2019, requires grantees to demonstrate they have, ''Enhancements to the internal auditor function established for the grantee's CDBG–DR grant; or if the CDBG–MIT grant is to be administered by an agency that does not administer the CDBG–DR grant, how the internal auditor function is to be established and resourced. The internal audit function must provide both programmatic and financial oversight of grantee activities and the submission must include a document signed by the internal auditor that describes his or her role in detecting fraud, waste, and abuse.''

The grantee's CDBG–MIT funds are also subject to the requirements of 86 FR 561 published on January 6, 2021, which includes the following provision at Section III.A. paragraph three, ''In the checklist [CDBG–MIT Certification Addendum C to the Public Law 116–20 and 115–254 CDBG–DR Financial Management and Grant Compliance Certification Checklist], a CDBG–MIT grantee must: Indicate how it will strengthen its internal audit function; specify the criteria for subrecipient selection and its plans to increase subrecipient monitoring, and establish a process for promptly identifying and

addressing conflicts under the grantee's conflict of interest policy.''

CDBG–DR and CDBG–MIT grantees may request waivers and alternative requirements, as long as good cause is provided. American Samoa is requesting a waiver and alternative requirement, similar to the alternative requirement provided in section II.A.1.d. of HUD's Universal Notice, as amended, which exempts a grantee from hiring an internal auditor if the grant size is less than $100 million. Given the small scale of its project—a single construction project to assist housing needs for local residents impacted by the 2018 disaster—the requirement to hire an internal auditor creates financial burden for American Samoa and limits funding available for its recovery. The grantee demonstrates that its request is reasonable given that both its CDBG–DR and CDBG–MIT grants combined are less than $100 million, and that the approval of this waiver would result in saving financial resources and streamlining recovery efforts.

After reviewing American Samoa's request and based on the good cause provided herein, the Department finds that good cause exists to waive the audit requirements established in the Prior Notices to not require the hiring of an internal auditor for the grantee's CDBG–DR or CDBG–MIT grant since both grants together are less than $100 million. As an alternative requirement the grantee is subject to the requirement in section II.A.1.d.(iv) of the Universal Notice that states, ''if the grant size is $100 million or more, the grantee has or will employ an internal auditor that provides both programmatic and financial oversight of grantee activities and has adopted policies that describe the auditor's role in detecting and preventing fraud, waste, and abuse.'' This alternative requirement applies to CDBG–DR and CDBG–MIT funds under Public Laws 115–254 and 116–20 for American Samoa *only.* As a reminder, the grantee must still have adequate procedures in place to detect and prevent fraud, waste, and abuse. Additionally, the grantee must continue providing on-going oversight and monitoring of subrecipients or developers, as applicable, to ensure compliance with all CDBG–DR and CDBG–MIT requirements.

David C. Woll Jr.,

Principal Deputy Assistant Secretary for Community Planning and Development.

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6469–N–01]

National Standards for the Physical Inspection of Real Estate, Carbon Monoxide Detection Requirements, and Smoke Alarm Requirements: Implementation Guidance and Inspection Standards for the Housing Opportunities for Persons With AIDS Program

AGENCY: Office of the Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development (HUD).

ACTION: Notice.

SUMMARY: This notice serves as a complementary document to the Economic Growth Regulatory Relief and Consumer Protection Act: Implementation of National Standards for the Physical Inspection of Real Estate (NSPIRE) rule published May 11, 2023. The NSPIRE rule provided that HUD's Office of Community Planning and Development (CPD) would publish an additional notice on the NSPIRE Standards for the Housing Opportunities for Persons With AIDS (HOPWA) program. HUD is providing implementation guidance on NSPIRE physical inspection standards for the HOPWA program to accompany the NSPIRE rule through this notice. This notice provides guidance to HOPWA grantees on how to inspect HOPWA-assisted units for compliance with the NSPIRE rule, and how to ensure corrections are made, if needed. This notice also provides guidance on statutory requirements that require grantees to ensure each dwelling unit assisted under the HOPWA program contains installed qualifying carbon monoxide (CO) alarms or detectors and smoke alarms.

DATES: HUD's NSPIRE final rule for CPD programs was effective October 1, 2023. In accordance with HUD's **Federal Register** notice published at 89 FR 55645, the compliance date was extended until October 1, 2025; however, this notice further extends the compliance date for HOPWA grantees to comply with the HOPWA NSPIRE standards elaborated in this notice until February 2, 2026. HOPWA grantees do not need to wait until the compliance date to update their policies and procedures and begin inspecting units in accordance with these standards. HOPWA grantees were expected to be in compliance with statutory requirements at 42 U.S.C. 12905(i) and (j) as of December 27, 2022, and December 29, 2024, respectively.

FOR FURTHER INFORMATION CONTACT: Amy Shivickas, Deputy Director, Room 7248, Department of Housing and Urban Development, 451 Seventh Street SW, Washington, DC 20410–7000; telephone (202) 402–2420. (This is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit: *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.*

SUPPLEMENTARY INFORMATION:

I. Purpose

This notice serves as a complementary document to the NSPIRE rule (88 FR 30442). The NSPIRE rule establishes a new approach to defining and assessing housing quality. The NSPIRE rule is part of a broad revision of the way HUD-assisted housing is inspected and evaluated. The purpose of NSPIRE is to strengthen HUD's physical condition standards and improve HUD oversight through the alignment and consolidation of the inspection regulations used to evaluate HUD housing across multiple programs.

In the preamble to the NSPIRE rule, HUD explained that CPD would issue separate notices for the individual CPD programs, including the HOPWA program. The purpose of this notice is to provide the primary implementation guidance for HOPWA. To the extent CPD determined it would be practicable for the HOPWA program, this notice is designed to align with the implementation guidance and inspection standards HUD published in the NSPIRE Standards notice, the NSPIRE Scoring notice, and the NSPIRE Administrative notice for the Public Housing and Section 8 programs. Other than as stated in this notice, however, those ''Subordinate Notices'' are not applicable to the HOPWA program.

This notice rescinds notice CPD–22–15, Carbon Monoxide Alarms or Detectors in Housing Opportunities for Persons With AIDS (HOPWA)-Assisted Housing, and provides implementation guidance for carbon monoxide (CO) alarms or detectors HOPWA-assisted housing. The guidance provided in notice CPD–22–15 that remains applicable is incorporated into this notice. For housing activities subject to the HOPWA Housing Quality Standards (HQS) at 24 CFR 574.310(b), this notice provides updated guidance for

implementation of CO detection requirements.

This notice also alerts grantees to a related and important new statutory requirement for smoke alarms under the HOPWA program. Under the new statutory requirement, grantees are responsible for ensuring each dwelling unit assisted under the HOPWA program contains qualifying smoke alarms installed in accordance with applicable codes and standards published by the International Code Council or the National Fire Protection Association and the requirements of the National Fire Protection Association Standard 72, or any successor standard, in each level and in or near each sleeping area in such dwelling unit, including in basements but excepting crawl spaces and unfinished attics, and in each common area in a project containing such a dwelling unit. For housing activities subject to the HOPWA Housing Quality Standards (HQS) at 24 CFR 574.310(b), this notice provides guidance for implementation of smoke alarm requirements.

II. The HOPWA NSPIRE Standards

The NSPIRE standards applicable to the HOPWA program (the ''HOPWA NSPIRE Standards'') for this notice are available in the docket for this notice at *www.regulations.gov.*

III. NSPIRE Applicability to the HOPWA Program

The NSPIRE rule updated the HOPWA regulations at 24 CFR 574.310 to require all housing assisted with acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and services (24 CFR 574.300(b)(3)); new construction (24 CFR 574.300(b)(4)); project or tenant-based rental assistance (24 CFR 574.300(b)(5)); and operating costs (24 CFR 574.300(b)(8)) to generally meet the standards for HUD housing in 24 CFR 5.703. NSPIRE requirements at 24 CFR 5.705 through 5.713 do not apply to the HOPWA program.

IV. Effective and Extended Compliance Date

The regulatory changes made under the NSPIRE rule took effect on October 1, 2023. However, as provided by HUD's notice ''Economic Growth Regulatory Relief and Consumer Protection Act: Implementation of National Standards for the Physical Inspection of Real Estate (NSPIRE); Extension of Compliance Date for HCV, PBV and Section 8 Moderate Rehab and CPD Programs'' (89 FR 55645), grantees may continue using HOPWA housing quality standards, as previously defined in 24 CFR 574.310 until October 1, 2025. Grantees are encouraged to implement HOPWA NSPIRE standards as soon as feasible but must comply with HOPWA NSPIRE standards no later than October 1, 2025. If a grantee implements the NSPIRE rule and the HOPWA NSPIRE standards before October 1, 2025, the grantee must document the chosen compliance date in program records.

However, the following exceptions apply:

1. As of December 27, 2022, all units assisted under the HOPWA program (including units occupied by families receiving short-term rent, mortgage, and utility (STRMU) and permanent housing placement (PHP) assistance) must meet the applicable carbon monoxide (CO) detection standards as explained in this notice. On December 8, 2022, HUD published notice CPD–22–15, Carbon Monoxide Alarms or Detectors in Housing Opportunities for Persons With AIDS (HOPWA)-Assisted Housing, that addresses CO poisoning risks in housing, identifies resources for preventing and detecting CO exposure, and alerted grantees to the new statutory CO detection requirement under the HOPWA program. This notice rescinds notice CPD–22–15 and updates CO detection requirements for the HOPWA program. On June 22, 2023, HUD established CO detection standards for units and inside area in the NSPIRE inspection standards notice (88 FR 40832). Those CO detection standards took the place of the standards provided under chapters 9 and 11 of the 2018 International Fire Code for purposes of all units assisted under the HOPWA program (including units occupied by families receiving STRMU and PHP assistance). To make things easier for HOPWA grantees, the HOPWA NSPIRE standards HUD is providing under this notice for CO detection reflect the same CO detection standards HUD provided for units and inside area under the NSPIRE inspection standards notice (88 FR 40832).

2. As of December 29, 2024, all units assisted under the HOPWA program (including units occupied by families receiving STRMU and PHP assistance) must also meet the applicable smoke alarm standards required by Public Law 117—328 (2022). To make things easier for HOPWA grantees, the HOPWA NSPIRE standards HUD is providing under this notice for smoke detection reflect the same smoke alarm standards HUD provided for units and inside area under the NSPIRE inspection standards notice (88 FR 40832).

3. A housing unit that continues to meet the HOPWA housing quality standards that applied when the eligible person(s) moved into that housing unit shall not be required to meet new or different standards under 24 CFR 5.703. However, if any new eligible person(s) move into the housing during the period the grantee must comply or elects to comply with the HOPWA NSPIRE standards, the housing will be required to meet the HOPWA NSPIRE standards described in this notice.

V. HOPWA NSPIRE Standards

This section provides further guidance on the requirements in 24 CFR 5.703 as it applies to the HOPWA program. The section lays out the affirmative requirements in 24 CFR 5.703, discusses the health and safety categories utilized in the regulations at 24 CFR 574.310, reminds HOPWA grantees of the obligation to follow lead-based paint requirements, and clarifies the obligation to follow state and local codes.

A. Affirmative Requirements

Affirmative requirements are the basic requirements that must be met for HOPWA housing assistance to be provided. The NSPIRE rule provides the minimum, or affirmative, habitability requirements for each inspectable area (inside, outside, unit) at 24 CFR 5.703(b) through (d). The HOPWA NSPIRE Standards further clarify these affirmative requirements. Affirmative requirements are designated as pass or fail during an inspection and will also have specific deficiencies, as contained in the HOPWA NSPIRE Standards. Housing that does not meet or continue to meet the affirmative requirements for each inspectable area would not pass an inspection and therefore would not be eligible for occupancy with HOPWA assistance. If possible, HOPWA grantees and project sponsors should work with the landlord or homeowner to correct any deficiencies during the inspection to facilitate move-in or continued occupancy of the unit. The affirmative requirements for each inspectable area applicable to the HOPWA program under 24 CFR 5.703 are as follows:

Inside (24 CFR 5.703(b))

1. The inside area must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each level of the property. The final NSPIRE standards for smoke alarms are included in the HOPWA NSPIRE Standards in Table 48.

2. The inside area must meet the carbon monoxide detection standards in the HOPWA NSPIRE Standards in Table 4 of the attached HOPWA NSPIRE standards.

3. For the inside area, any outlet installed within 6 feet of a water source must be ground-fault circuit interrupter (GFCI) protected. Further explanation of this affirmative requirement can be found at Table 15 of the HOPWA NSPIRE Standards.

4. The inside area must have a guardrail when there is an elevated walking surface with a drop off of 30 inches or greater measured vertically. Further explanation of this affirmative requirement can be found at Table 28 of the HOPWA NSPIRE Standards.

5. The inside area must have permanently mounted light fixtures in any kitchens and each bathroom. Further explanation of this affirmative requirement can be found at Table 37 of the HOPWA NSPIRE Standards.

6. The inside area may not contain unvented space heaters that burn gas, oil, or kerosene. Further explanation of this affirmative requirement can be found at Table 30 of the HOPWA NSPIRE Standards.

Outside (24 CFR 5.703(c))

1. For the outside area, outlets within 6 feet of a water source must be GFCI protected. Further explanation of this affirmative requirement can be found at Table 15 of the HOPWA NSPIRE Standards.

2. The outside area must have a guardrail when there is an elevated walking surface with a drop off of 30 inches or greater measured vertically. Further explanation of this affirmative requirement can be found at Table 28 of the HOPWA NSPIRE Standards.

Unit (24 CFR 5.703(d))

1. The unit must have hot and cold running water in both the bathroom and kitchen, including an adequate source of safe drinking water in the bathroom and kitchen. Further explanation of this affirmative requirement can be found at Table 47 of the HOPWA NSPIRE Standards.

2. The unit must include its own bathroom or sanitary facility that is in proper operating condition and usable in privacy. It must contain a sink, a bathtub or shower, and an interior flushable toilet. Further explanation of this affirmative requirement can be found at Table 1, Table 47, and Table 52 of the HOPWA NSPIRE Standards.

3. The unit must meet the below standards and follow the specifications of National Fire Protection Association (NFPA) 72 to satisfy the affirmative requirements for smoke alarms.

a. The unit must include at least one battery-operated or hard-wired smoke alarm, in proper working condition, in the following locations:

i. On each level of the unit.

ii. Inside each bedroom.

iii. Within 21 feet of any door to a bedroom measured along a path of travel.

iv. Where a smoke detector installed outside a bedroom is separated from an adjacent living area by a door, a smoke detector must also be installed on the living area side of the door.

b. If the unit is occupied by any hearing-impaired person, the smoke detectors must have an alarm system designed for hearing-impaired persons.

c. Additional affirmative requirement standards for smoke detectors have been set in the NSPIRE Standards notice. The same standards are included in the HOPWA NSPIRE Standards in Table 48.

4. The unit must have a living room and kitchen area with a sink, cooking appliance, refrigerator, food preparation area, and food storage area. Further explanation of this affirmative requirement can be found at Table 2, Table 8, Table 24, Table 43, and Table 47 of the HOPWA NSPIRE Standards.

5. The unit must meet the carbon monoxide detection standards in the HOPWA NSPIRE Standards in Table 4.

6. The unit must have two working outlets or one working outlet and a permanent light fixture within all habitable rooms. Further explanation of this affirmative requirement can be found at Table 38 of the HOPWA NSPIRE Standards.

7. Outlets within 6 feet of a water source must be GFCI protected. Further explanation of this affirmative requirement can be found at Table 15 of the HOPWA NSPIRE Standards.

8. For climate zones designated by the Secretary through notice, the unit must have a permanently installed heating source. No units may contain unvented space heaters that burn gas, oil, or kerosene. The HOPWA NSPIRE Standards adopt the requirements in the NSPIRE Standards notice where HUD requires permanent heating sources in all locales except for Hawaii, Puerto Rico, Guam, U.S. Virgin Islands, American Samoa, and the Commonwealth of Northern Mariana Islands; this follows the International Energy Conservation Code (IECC). Those localities where permanent heating sources will not be required are Tropical (per IECA designation). Further explanation of this affirmative requirement can be found at Table 30 of the HOPWA NSPIRE Standards.

9. The unit must have a guardrail when there is an elevated walking surface with a drop off of at least 30 inches or greater measured vertically. Further explanation of this affirmative requirement can be found at Table 28 of the HOPWA NSPIRE Standards.

10. The unit must have a permanently mounted lighting fixture in the kitchen and each bathroom. Further explanation of this affirmative requirement can be found at Table 37 of the HOPWA NSPIRE Standards.

B. Health and Safety Concerns

In accordance with 24 CFR 5.703(e), the inside, outside, and unit must be free of health and safety hazards that pose a danger to residents. HOPWA grantees and project sponsors must inspect housing for health and safety deficiencies through the HOPWA NSPIRE Standards.

The HOPWA NSPIRE Standards incorporate the following Health and Safety categories as provided through the NSPIRE Standards notice: Life-threatening, Severe, Moderate, and Low. These health and safety categories help establish correction timelines for each deficiency. Life-threatening deficiencies must be corrected within 24 hours after notice has been provided to the landlord or owner. Severe deficiencies must be corrected within 30 days or the approved extension after notice has been provided to the landlord or owner. Moderate deficiencies must be corrected within 30 days or the approved extension after notice has been provided to the landlord or owner. Low deficiencies, even if present will not result in a fail. Low deficiencies should be corrected within 60 days or a correction timeframe determined by grantee policies and procedures after notice has been provided to the landlord or owner.

All grantees must establish policies and procedures for housing inspections to ensure compliance with the requirements outlined in this notice. Grantees should consider local housing codes when establishing a correction timeframe in policies and procedures. HOPWA grantees may choose to shorten the established correction timelines for a deficiency. However, grantees should not allow longer correction timelines than established in the HOPWA NSPIRE standards without documented justification and policies and procedures that support longer correction timelines. Longer correction timelines are only permissible with documented justification for Severe, Moderate, and Low deficiencies. Under no circumstance should a HOPWA-assisted household remain in a unit with an identified life-threatening deficiency that has not been corrected within 24 hours of notification.

If a Life-Threatening, Severe, or Moderate deficiency is not corrected

within the timeframe provided to the landlord or owner, this would be considered a failed inspection and the HOPWA grantee or project sponsor should take action in accordance with the rental assistance payment agreement, which can include withholding or abatement of assistance payments, terminations, or relocations. HOPWA grantees and project sponsors may use the housing information services budget line item to assist the household in locating a new unit and the permanent housing placement budget line item for security deposits or other move-in fees. HOPWA grantees should ensure policies and procedures are updated for circumstances where a unit does not pass inspection.

C. Lead-Based Paint

In accordance with 24 CFR 5.703(e)(2) and 24 CFR 574.635, HOPWA grantees and project sponsors shall continue to comply with the requirements and timelines in 24 CFR part 35. The NSPIRE rule did not alter any of the lead-based paint requirements in part 35 for the HOPWA program.

D. Compliance With State and Local Codes

In accordance with 24 CFR 5.703(f), the NSPIRE standards for the condition of HUD housing do not supersede State and local codes (such as fire, mechanical, plumbing, carbon monoxide, property maintenance, or residential code requirements). As provided in 24 CFR 574.310(b)(1), all HOPWA-assisted units must also comply with State or local housing codes to pass an inspection. During the inspection of HOPWA-assisted units, HOPWA grantees must verify that the housing complies with all applicable State and local housing codes, licensing requirements, and any other applicable state or local requirements regarding the condition of the structure and the operation of the housing.

VI. Clarification on Standards for Single Room Occupancy Dwellings

A Single Room Occupancy (SRO) is an eligible type of HOPWA housing subject to the NSPIRE rule and the housing quality standards at 24 CFR 574.310(b). SRO means a single-room dwelling unit that provides private living and sleeping space for the exclusive use of the occupant, but that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. An SRO unit may not be occupied by more than one individual.

SROs assisted with acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and services (24 CFR 574.300(b)(3)); new construction (24 CFR 574.300(b)(4)); project or tenant-based rental assistance (24 CFR 574.300(b)(5)); or operating costs (24 CFR 574.300(b)(8)) are only required to comply with 24 CFR 5.703(d), which outlines affirmative requirements for the unit, to the extent that those components exist within the unit.

For example, in cases where there are no sanitary facilities or food preparation facilities, SRO units are not required to comply with 24 CFR 5.703(d)(1) which requires that the unit must have hot and cold running water in both the bathroom and kitchen, including an adequate source of safe drinking water in the bathroom and kitchen, nor does the requirement at 24 CFR 5.703(d)(4) that the unit contain a kitchen area with a sink, cooking appliance, refrigerator, food preparation area, and food storage area apply. In addition, the same exception applies to 24 CFR 5.703(d)(2) which requires the unit to include its own bathroom or sanitary facility—containing a sink, a bathtub or shower, and an interior flushable toilet—that is in proper operating condition and usable in privacy. However, if the SRO unit has sanitary facilities and/or a kitchen, the HOPWA NSPIRE standards apply to those components.

VII. Variation Allowability

HOPWA grantees have the option to propose a housing variation and receive HUD approval for housing that is unable to meet the affirmative requirements in 24 CFR 5.703 and/or the HOPWA NSPIRE standards. Variations must be approved by HUD before HOPWA assistance can be provided to a housing unit covered by a proposed variation. Grantees must maintain a record of the approved variation and document when the approved variation is used in client files.

To apply for a variation, grantees must send an email with the below justification to the Community Planning and Development Director of the HUD Field Office serving the grantee. Proposed variations must be submitted with the following justification:

- The grantee must include the requestor's name, title, and contact information.
- The grantee must provide written justification why a variation to the affirmative requirements in 24 CFR 5.703 and/or the HOPWA NSPIRE standards is required to provide HOPWA housing assistance and how the variation will continue to make available housing that is functionally adequate, operable, and free of health and safety hazards.
- The grantee must identify the specific units covered by the variation. This should include the number of housing units, household size the unit is able to support, and type of housing. Types of housing could include shared housing, manufactured housing, or a community residence. The address of the unit should not be included in the request.
- The grantee must submit policies and procedures documenting the housing variation and the housing inspection standards to be used for the proposed variation.

VIII. Inspection Process

The inspection process for both initial and recurring annual inspections should follow the same basic process to ensure that all HOPWA-assisted households live in safe, habitable dwellings. The party responsible for the inspection (grantee, project sponsor, contracted third party vendor) will complete thorough inspections of the inspectable areas defined at 24 CFR 5.703(b) through (d) and 24 CFR 574.310(b)(2)(i) to include items and components located inside the building, outside the building, and within the unit. The responsible party will ensure that the inspectable areas meet all affirmative requirements in accordance with 24 CFR 5.703 and Section V.A. ''Affirmative Requirements'' of this notice. If a unit does not meet all affirmative requirements, then the unit is not eligible for HOPWA housing assistance.

The responsible party will also be required to ensure that there are no deficiencies in the inspectable areas beyond the affirmative requirements. In each inspectable area, the responsible party is required to inspect for all deficiencies listed in the HOPWA NSPIRE standards. If deficiencies are cited during an inspection, then the responsible party must provide notification to the landlord or homeowner of the deficiency and the correction timeframe to address the deficiency for the unit to begin or continue receiving HOPWA housing assistance. The potential deficiencies and the correction timeframes to address them can be found in the HOPWA NSPIRE standards. The HOPWA NSPIRE standards include both deficiencies and affirmative requirements and should be used as a guide when conducting any HOPWA unit inspection.

For a unit to pass an inspection and be eligible to receive HOPWA funding, all affirmative requirements must be met

and any cited deficiencies (life-threatening, severe, or moderate) must be corrected within the correction timeframe or the approved extension. HOPWA assistance must not be provided to a new unit that does not meet the affirmative requirements or has an identified life-threatening deficiency prior to a family moving into the unit. If deficiencies are identified in the initial inspection, it may cause the unit to temporarily fail the inspection while the deficiencies are addressed. Deficiencies that are not corrected within the correction timeframe or approved extension would be cause for a unit to fail the inspection and no longer be eligible to continue receiving HOPWA funding. HOPWA funding can continue to be provided to occupied HOPWA-assisted units during a correction timeframe or approved extension while a deficiency or affirmative requirement is being addressed. For units that are not currently occupied and being inspected prior to assistance, HOPWA grantees and project sponsors should establish policies and procedures on when HOPWA funding can begin assisting a unit that is correcting a deficiency within the correction timeline or approved extension.

Grantees and project sponsors are allowed to utilize virtual inspections to meet HOPWA NSPIRE inspection requirements. Remote or virtual inspections by proxy are allowed; however, staff must be trained on how to conduct HOPWA NSPIRE inspections virtually. HOPWA NSPIRE inspections may be conducted on behalf of a grantee or project sponsor by a proxy using video streaming technology; in these cases, there must be a written agreement kept on file by the grantee and project sponsor. The proxy can be the landlord, property representative, tenant, or any adult associated with the eventual tenancy of the unit. The grantee must ensure there are written policies and procedures established for virtual inspections and staff are properly trained prior to virtual inspections occurring.

IX. Frequency of Inspections

All housing assisted with acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and services (24 CFR 574.300(b)(3)); new construction (24 CFR 574.300(b)(4)); project or tenant-based rental assistance (24 CFR 574.300(b)(5)); and operating costs (24 CFR 574.300(b)(8)) must be inspected prior to a household moving in and HOPWA funds being used. The grantee must also establish policies and procedures that provide reasonable assurance that each housing unit continues to meet the HOPWA NSPIRE standards throughout the period for which the grantee expends HOPWA funds with respect to that unit. Accordingly, HUD recommends that grantees and project sponsors conduct inspections on an annual basis.

X. Paying for Inspections

HOPWA grantees and project sponsors are encouraged to review their current HOPWA housing assistance program budget to ensure there is funding available for training, learning opportunities, and potential additional staffing to prepare for and conduct HOPWA NSPIRE inspections. HOPWA grantees and project sponsors may bill staff time and costs associated with preparing for, scheduling, collecting, completing, and following up with landlords and assisted households about inspections from the HOPWA housing assistance budget line for the type of housing assistance being provided. HOPWA grantees and project sponsors may also bill staff time for training and preparation to ensure staff are able to implement the new HOPWA NSPIRE requirements; these training and preparation costs may be allocated to the budget line item(s) applicable to the new requirements. Staff time associated with policy and procedure updates may be billed to administrative costs (*See* 24 CFR 574.300(b)(10) and 574.3).

For compliance with CO detection requirements, HOPWA grantees and project sponsors may bill staff time spent conducting landlord outreach and education on the CO detector and alarm requirements, performing inspections to assess for compliance with the requirements, and/or assessing for and self-certifying compliance with the requirements to the applicable housing assistance line item. HOPWA grantees and project sponsors may bill housing information services for staff time spent conducting outreach and education on CO detectors and alarms to HOPWA-assisted households (*See* 24 CFR 574.300(b)(1)).

For compliance with smoke alarm requirements, HOPWA grantees and project sponsors may bill staff time spent conducting landlord outreach and education on the smoke alarm requirements, performing inspections to assess for compliance with the requirements, and/or assessing for and self-certifying compliance with the requirements to the applicable housing assistance line item. HOPWA grantees and project sponsors may bill housing information services for staff time spent conducting outreach and education on smoke alarms to HOPWA-assisted households (*See* 24 CFR 574.300(b)(1)).

XI. Clarification on Carbon Monoxide Alarms or Detectors

Section 101 of Title I of Division Q of the Consolidated Appropriations Act, 2021, Public Law 116–260, div. Q, title I, § 101 (2020) amended the program legislation for various HUD programs, including the HOPWA program, to require CO alarms or detectors in certain Federally assisted dwelling units as of December 27, 2022.

Section 101(e) of the Act amends section 856 of the AIDS Housing Opportunity Act (42 U.S.C. 12905) to add the following new responsibility for HOPWA grantees:

(i) Carbon monoxide alarms.

Each dwelling unit assisted under [the HOPWA program] shall contain installed carbon monoxide alarms or detectors that meet or exceed—

(1) the standards described in chapters 9 and 11 of the 2018 publication of the International Fire Code, as published by the International Code Council; or

(2) any other standards as may be adopted by the Secretary, including any relevant updates to the International Fire Code, through a notice published in the **Federal Register**.

This Notice updates the standards for CO detection in HOPWA-assisted units. For housing activities subject to the HOPWA Housing Quality Standards (HQS) at 24 CFR 574.310(b) (acquisition, rehabilitation, conversion, lease, and repair of facilities; new construction; project- or tenant-based rental assistance; and operating costs), grantees and project sponsors should apply the HOPWA NSPIRE Standards for CO detection in Table 4 of the attached standards.

For housing activities not subject to HQS requirements (STRMU and PHP), grantees and project sponsors should still apply the HOPWA NSPIRE standards for CO Alarms in Table 4, but may rely on the self-certification of the tenant or owner that the dwelling unit meets the CO detection requirements, provided that the grantee or project sponsor develops and provides training, a standard checklist, or other reasonable procedures to make sure the owner or tenant understands and applies the applicable criteria when making the self-certification that CO alarms or detectors are installed as required. The self-certification should be kept in the assisted household's file and document the method(s) used to confirm the presence of CO detection in the unit.

However, neither the statutory requirement nor this notice preempts or

limits the applicability of any State or local law that imposes more stringent standards relating to the installation and maintenance of CO alarms or detectors in housing.

XII. Clarification on Qualifying Smoke Alarms

Section 601 of Title VI of Division AA of the Consolidated Appropriations Act, 2023, Public Law 117–328 (2022) amended the statutes for various HUD programs, including the HOPWA program, to require qualifying smoke alarms in assisted dwelling units as of December 29, 2024.

Section 601(d) amends Section 856 of the AIDS Housing Opportunity Act (42 U.S.C. 12905) to add the following new responsibility for HOPWA grantees: Each dwelling unit assisted under this chapter shall contain qualifying smoke alarms that are installed in accordance with applicable codes and standards published by the International Code Council or the National Fire Protection Association and the requirements of the National Fire Protection Association Standard 72, or any successor standard, in each level and in or near each sleeping area in such dwelling unit, including in basements but excepting crawl spaces and unfinished attics, and in each common area in a project containing such a dwelling unit. It also defines a qualifying smoke alarm. The term ''qualifying smoke alarm'' means a smoke alarm that:

(i) in the case of a dwelling unit built before December 29, 2022, and not substantially rehabilitated after December 29, 2022—

(I)(aa) is hardwired; or

(bb) uses 10-year non rechargeable, nonreplaceable primary batteries and—

(AA) is sealed;

(BB) is tamper resistant; and

(CC) contains silencing means; and

(II) provides notification for persons with hearing loss as required by the National Fire Protection Association Standard 72, or any successor standard; or

(ii) in the case of a dwelling unit built or substantially rehabilitated after December 29, 2022, is hardwired.

The new smoke alarm requirement for HOPWA grantees is fully applicable and enforceable by HUD as of December 29, 2024. HOPWA grantees and project sponsors must ensure qualifying smoke alarms are installed as required in all HOPWA-assisted units. This includes units assisted with acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and services (24 CFR 574.300(b)(3)); new construction (24 CFR 574.300(b)(4)); project or tenant-based rental assistance (24 CFR 574.300(b)(5)); short-term rent, mortgage, and utility payments (24 CFR 574.300(b)(6)); permanent housing placement (24 CFR 574.300(b)(7)); and operating costs (24 CFR 574.300(b)(8)).

For housing activities subject to the HOPWA Housing Quality Standards (HQS) at 24 CFR 574.310(b) (acquisition, rehabilitation, conversion, lease, and repair of facilities; new construction; project or tenant-based rental assistance; and operating costs), grantees and project sponsors should apply the HOPWA NSPIRE Standards for smoke alarms in Table 48.

For housing activities not subject to HQS requirements (STRMU and PHP), grantees and project sponsors should still apply the HOPWA NSPIRE Standards for smoke alarms in Table 48, but may rely on the self-certification of the tenant or owner that the dwelling unit meets the smoke alarm requirements, provided that the grantee or project sponsor develops and provides training, a standard checklist, or other reasonable procedures to make sure the owner or tenant understands and applies the applicable criteria when making the self-certification that smoke alarms are installed as required. The self-certification should be kept in the assisted household's file and document the method(s) used to confirm the presence of a qualifying alarm in the unit.

However, neither the statutory requirement nor this notice preempts or limits the applicability of any State or local law that imposes more stringent standards relating to the installation and maintenance of smoke alarms in housing.

XII. Clarification on Inspections for STRMU and PHP

The NSPIRE rule and the housing quality standards at 24 CFR 574.310(b) do not cover or require inspections for short-term rent, mortgage, and utility payments (24 CFR 574.300(b)(6)); or permanent housing placement (24 CFR 574.300(b)(7)). However, HOPWA grantees must continue to meet CO detection requirements for housing assisted with Short-Term Rent, Mortgage, and Utility Assistance (STRMU) and Permanent Housing Placement (PHP) as required through Section 101 of Title I of Division Q of the Consolidated Appropriations Act, 2021, Public Law 116–260, div. Q, title I, § 101 (2020), which amended the HOPWA statute to require CO alarms or detectors in HOPWA-assisted dwelling units. As of December 27, 2022, HOPWA grantees and project sponsors are required to ensure CO alarms or detectors are installed as required in all HOPWA-assisted units. Additional information on the CO detection requirements for STRMU and PHP can be found in Section X of this Notice.

Further, effective December 29, 2024, HOPWA grantees must meet smoke detection requirements for housing assisted with STRMU and PHP as required through Section 601 of Title VI of Division AA of the Consolidated Appropriations Act, 2023, Public Law 117–328 (2022) which amended the HOPWA statute to require qualifying smoke alarms in HOPWA-assisted dwelling units. Additional information on the smoke alarm requirements for STRMU and PHP can be found in Section XI of this notice.

XIII. Contact Information

Questions concerning this notice may be directed to the HUD Office of HIV/AIDS Housing's email box at *HOPWA@hud.gov.*

David C. Woll Jr.,

Principal Deputy Assistant Secretary for Community Planning and Development.

[FR Doc. 2025–14743 Filed 8–4–25; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[A2407–014–004–065516; #O2412–014–004–047181.1]

Proposed Reinstatement of BLM New Mexico Terminated Oil and Gas Leases: NMNM 134884; NMNM 134885; NMNM 141886

AGENCY: Bureau of Land Management, Interior

ACTION: Notice of lease reinstatement.

SUMMARY: In accordance with the Mineral Leasing Act of 1920, as amended, the Bureau of Land Management (BLM) received a petition for reinstatement of terminated competitive oil and gas leases from Blackbeard Operating, LLC (NMNM 134884, NMNM 134885; serial numbers NMNM105373864 and NMNM105373865, respectively) and EOG Resources (NMNM 141886; serial number NMNM105517491). The lessee timely filed petitions for reinstatement of competitive oil and gas leases located in Eddy and Lea counties, New Mexico. The lessees paid the required rentals accruing from the date of termination. No leases have been issued that affect these lands. The BLM proposes to reinstate the leases.

FOR FURTHER INFORMATION CONTACT: Julieann Serrano, Supervisory Land Law Examiner, Branch of Adjudication, Bureau of Land Management New Mexico State Office, 301 Dinosaur Trail, Santa Fe, New Mexico 87508, (505) 954–2149, *jserrano@blm.gov.* 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: The lessees agree to new lease terms for rentals of $20 per acre, or fraction thereof, per year, and a royalty rate of 20 percent. The lessees agreed to additional or amended stipulations. The lessees paid the required administration fee and has reimbursed the BLM for the cost of publishing this Notice. The lessees met the requirements for reinstatement of the lease per sec. 31 (d) and (e) of the Mineral Leasing Act of 1920 (30 U.S.C. 188). The BLM is proposing to reinstate the leases effective November 1, 2020 (NMNM 141886), and October 1, 2020 (NMNM 134884; NMNM 134885), and an extension for 2 years from the date the lease is reinstated in accordance with 43 CFR 3108.23(d)(2) subject to: the original terms and conditions of the lease; additional and amended stipulations; increased rental of $20 per acre; increased royalty of 20 percent and a one- or 2-year lease extension.

Authority: 30 U.S.C. 188 (e)(4) and 43 CFR 3108.23(d)(2).

Michael J. Gibson,

Deputy State Director, Minerals.

[FR Doc. 2025–14771 Filed 8–4–25; 8:45 am]

BILLING CODE 4331–23–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N6402; NPS–WASO–NAGPRA–NPS0040774; PPWOCRADN0–PCU00RP14.R50000]

Notice of Inventory Completion: Autry Museum of the American West, Los Angeles, CA

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Autry Museum of the American West (Southwest Museum Collection) has completed an inventory of associated funerary objects and has determined that there is a cultural affiliation between the associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

DATES: Repatriation of the associated funerary objects in this notice may occur on or after September 4, 2025.

ADDRESSES: Send written requests for repatriation of the associated funerary objects in this notice to Karimah Richardson, M.Phil., RPA, Associate Curator of Anthropology and Repatriation Supervisor, Autry Museum of the American West, 4700 Western Heritage Way, Los Angeles, CA 90027, email *krichardson@theautry.org.*

SUPPLEMENTARY INFORMATION: This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the Autry Museum of the American West, and additional information on the determinations in this notice, including the results of consultation, can be found in the inventory or related records. The National Park Service is not responsible for the determinations in this notice.

Abstract of Information Available

Based on the information available, six lots of associated funerary objects are found to be associated with human remains listed in a Notice of Completion published in the **Federal Register** on August 6, 2024 (89 FR 63965) for San Miguel Island, Santa Barbara County, Channel Islands, CA. The six lots of associated funerary objects are one knife, one chopper, one blade fragment, one drill, one point fragment, and one lot of pries. The cultural items were found after the notice with the San Miguel Island human remains was published. The cultural items were found in a tray and are individually labeled with ''San Miguel Island'' and ''surface'' written on them, the same label and handwriting found on the human remains. A note was also found with the items saying the San Miguel Island cranial bones were removed from this tray and moved to sit with the rest of the human remains. It is unknown when cultural items were collected, or when they came into the Southwest Museum (now part of the Autry Museum).

Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the associated funerary objects described in this notice.

Determinations

The Autry Museum of the American West has determined that:

- The six lots of objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a reasonable connection between the associated funerary objects described in this notice and the Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation, California.

Requests for Repatriation

Written requests for repatriation of the associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the associated funerary objects in this notice to a requestor may occur on or after September 4, 2025. If competing requests for repatriation are received, the Autry Museum of the American West must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the associated funerary objects are considered a single request and not competing requests. The Autry Museum of the American West is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice.

Authority: Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: July 28, 2025.

Melanie O'Brien,

Manager, National NAGPRA Program.

[FR Doc. 2025–14802 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N6400; NPS–WASO–NAGPRA–NPS0040772; PPWOCRADN0–PCU00RP14.R50000]

Notice of Inventory Completion: University of Michigan, Ann Arbor, MI

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the University of Michigan has completed an inventory of human remains (hereinafter referred to as ''Ancestral remains'' or ''Ancestors'') and associated funerary objects and has determined that there is a cultural affiliation between the Ancestral remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

DATES: Repatriation of the Ancestral remains and associated funerary objects in this notice may occur on or after September 4, 2025.

ADDRESSES: Send written requests for repatriation of the human remains and associated funerary objects in this notice to Dr. Ben Secunda, NAGPRA Office Managing Director, University of Michigan, Office of Research, Suite G269, Lane Hall, Ann Arbor, MI 48109–1274, email *bsecunda@umich.edu.*

SUPPLEMENTARY INFORMATION: This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the University of Michigan, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

Abstract of Information Available

Ancestral remains representing, at least, two individuals have been identified. The one associated funerary object is one lot of various archaeological materials, including earthenware sherds, lithic debitage, and burned animal bone. Ancestral remains from the Bendon site (20BZ2) Benzie Co, MI, were removed by Dr. Purdy and donated to UMMAA in 1924. The Ancestors are of an adult 18–25 years female and an adult 25–35 years male. Dating for the site is to the Woodland Period 850 BC to A.D. 1400 based on mortuary treatment.

The University of Michigan has no record of, nor do its officials have any knowledge of, any treatment of items with pesticides, preservatives, or other substances that represent a potential hazard to the collection(s) or to persons handling the collection(s).

Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the Ancestral remains and associated funerary objects described in this notice.

Determinations

The University of Michigan has determined that:

- The Ancestral remains described in this notice represent the physical remains of two individuals of Native American ancestry.
- The one object described in this notice is reasonably believed to have been placed intentionally with or near individual Ancestral remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the Ancestral remains and associated funerary objects described in this notice and the Bad River Band of the Lake Superior Tribe of Chippewa Indians of the Bad River Reservation, Wisconsin; Bay Mills Indian Community, Michigan; Chippewa Cree Indians of the Rocky Boy's Reservation, Montana; Citizen Potawatomi Nation, Oklahoma; Forest County Potawatomi Community, Wisconsin; Grand Traverse Band of Ottawa and Chippewa Indians, Michigan; Hannahville Indian Community, Michigan; Keweenaw Bay Indian Community, Michigan; Lac Courte Oreilles Band of Lake Superior Chippewa Indians of Wisconsin; Lac du Flambeau Band of Lake Superior Chippewa Indians of the Lac du Flambeau Reservation of Wisconsin; Lac Vieux Desert Band of Lake Superior Chippewa Indians of Michigan; Little River Band of Ottawa Indians, Michigan; Little Shell Tribe of Chippewa Indians of Montana; Little Traverse Bay Bands of Odawa Indians, Michigan; Match-e-be-nash-she-wish Band of Pottawatomi Indians of Michigan; Menominee Indian Tribe of Wisconsin; Minnesota Chippewa Tribe, Minnesota (Six component reservations: Bois Forte Band (Nett Lake); Fond du Lac Band; Grand Portage Band; Leech Lake Band; Mille Lacs Band; White Earth Band); Nottawaseppi Huron Band of the Potawatomi, Michigan; Ottawa Tribe of Oklahoma; Pokagon Band of Potawatomi Indians, Michigan and Indiana; Prairie Band Potawatomi Nation; Red Cliff Band of Lake Superior Chippewa Indians of Wisconsin; Red Lake Band of Chippewa Indians, Minnesota; Saginaw Chippewa Indian Tribe of Michigan; Sault Ste. Marie Tribe of Chippewa Indians, Michigan; Sokaogon Chippewa Community, Wisconsin; St. Croix Chippewa Indians of Wisconsin; and the Turtle Mountain Band of Chippewa Indians of North Dakota.

Requests for Repatriation

Written requests for repatriation of the Ancestral remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the Ancestral remains and associated funerary objects described in this notice to a requestor may occur on or after September 4, 2025. If competing requests for repatriation are received, the University of Michigan must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the Ancestral remains and associated funerary objects are considered a single request and not competing requests. The University of Michigan is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice.

Authority: Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: July 28, 2025.

Melanie O'Brien,

Manager, National NAGPRA Program.

[FR Doc. 2025–14800 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N6405; NPS–WASO–NAGPRA–NPS0040777; PPWOCRADN0–PCU00RP14.R50000]

Notice of Inventory Completion: Trinity University, San Antonio, TX; University of Texas at Austin, Texas Archeological Research Laboratory, Austin, TX; and University of Texas at Austin, Vertebrate Paleontology Laboratory, Austin, TX

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Trinity University (Trinity); University of Texas at Austin, Texas Archeological Research Laboratory (TARL); and and University of Texas at Austin, Vertebrate Paleontology Laboratory (VPL) have completed an inventory of human remains and associated funerary objects and have determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

DATES: Repatriation of the human remains and associated funerary objects in this notice may occur on or after September 4, 2025.

ADDRESSES: Send written requests for repatriation of the human remains and associated funerary objects in this notice to Maggie Moore, Trinity University, Department of Sociology and Anthropology, 1 Trinity Place, San Antonio, TX 78212–7200, email *mmoore3@trinity.edu;* Jessica Ulmer, The University of Texas at Austin Texas Archaeological Research Laboratory, 1 University Station, R7500, Austin, TX 78712, email *jessica.ulmer@austin.utexas.edu;* and Chris Sagebiel, The University of Texas at Austin Vertebrate Paleontology Laboratory, J.J. Pickle Research Campus, The University of Texas, 3333 Read Granberry Trl. (VPL, bldg. 6), Austin, TX 78758, email *sagebiel@austin.utexas.edu.*

SUPPLEMENTARY INFORMATION: This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Trinity, TARL, and VPL, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

Abstract of Information Available

Human remains representing, at least, 24 individuals have been identified. The 7,047 associated funerary objects are faunal remains. In 1965–1968, Native American human remains and associated funerary objects were removed from site 41BX26 in Bexar County, Texas. By various circumstances, these human remains and associated funerary objects came to be split between Trinity, TARL, VPL, California State University, Dominguez Hills, Our Lady of the Lake University in San Antonio, and University of Texas at San Antonio Center for Archaeological Research. Many of the human remains have been labeled with ink, and shellac or other preservative was used on some remains.

Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

Determinations

Trinity, TARL, and VPL have determined that:

- The human remains described in this notice represent the physical remains of 24 individuals of Native American ancestry.
- The 7,047 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Absentee-Shawnee Tribe of Indians of Oklahoma; Kickapoo Traditional Tribe of Texas; Mescalero Apache Tribe of the Mescalero Reservation, New Mexico; Shawnee Tribe; The Seminole Nation of Oklahoma; Thlopthlocco Tribal Town; and the Wichita and Affiliated Tribes (Wichita, Keechi, Waco, & Tawakonie), Oklahoma.

Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after September 4, 2025. If competing requests for repatriation are received, Trinity, TARL, and VPL must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. Trinity, TARL, and VPL are responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

Authority: Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: July 28, 2025.

Melanie O'Brien,

Manager, National NAGPRA Program.

[FR Doc. 2025–14804 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N6398; NPS–WASO–NAGPRA–NPS0040770; PPWOCRADN0–PCU00RP14.R50000]

Notice of Inventory Completion: Arkansas Archeological Survey, Fayetteville, AR

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Arkansas Archeological Survey has completed an inventory of human remains and has determined that there is a cultural affiliation between the human remains and Indian Tribes or Native Hawaiian organizations in this notice.

DATES: Repatriation of the human remains in this notice may occur on or after September 4, 2025.

ADDRESSES: Send written requests for repatriation of the human remains in this notice to Sarah Shepard, Arkansas Archeological Survey, 2475 N Hatch Avenue, Fayetteville, AR 72704, email *nagpra@uark.edu.*

SUPPLEMENTARY INFORMATION: This notice is published as part of the

National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the Arkansas Archeological Survey, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

Abstract of Information Available

White Eagle Shelter (3MR0053) was excavated in 1969 by Kenneth Cole with the ARAS. In March of 2025, ARAS staff found comingled fragments of one adult, and two sub adults within the faunal material of this collection. The are no associated funerary objects present.

Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is clearly identified by the information available about the human remains described in this notice.

Determinations

The Arkansas Archeological Survey has determined that:

- The human remains described in this notice represent the physical remains of three individuals of Native American ancestry.
- There is a connection between the human remains described in this notice and The Osage Nation.

Requests for Repatriation

Written requests for repatriation of the human remains in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains described in this notice to a requestor may occur on or after September 4, 2025. If competing requests for repatriation are received, the Arkansas Archeological Survey must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains are considered a single request and not competing requests. The Arkansas Archeological Survey is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice.

Authority: Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: July 28, 2025.

Melanie O'Brien,

Manager, National NAGPRA Program.

[FR Doc. 2025–14798 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N6395; NPS–WASO–NAGPRA–NPS0040767; PPWOCRADN0–PCU00RP14.R50000]

Notice of Inventory Completion: University of California, Berkeley, Berkeley, CA, and U.S. Department of the Interior, Bureau of Land Management, California State Office, Sacramento, CA

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the University of California, Berkeley (UC Berkeley) and the U.S. Department of the Interior, Bureau of Land Management, California State Office (BLM CA) have completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

DATES: Repatriation of the human remains and associated funerary objects in this notice may occur on or after September 4, 2025.

ADDRESSES: Send written requests for repatriation of the human remains and associated funerary objects in this notice to Alexandra Lucas, Government and Community Relations, Office of the Chancellor, University of California, Berkeley, 200 California Hall, Berkeley, CA 94720, email *nagpra-ucb@berkeley.edu,* and Amy Girado, Bureau of Land Management, California State Office, 2800 Cottage Way, Suite W1623, Sacramento, CA 95825, email *blm_ca_nagpra@blm.gov.*

SUPPLEMENTARY INFORMATION: This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the UC Berkeley and BLM CA, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

Abstract of Information Available

In Kern County, California near the shore of Goose Lake, between 1922 and 1956, ancestral remains of at least one individual and 123 associated funerary belongings were removed by various individuals from site CA–Ker–37.

Between 1923 and 1924, ancestral remains representing at least 17 individuals and 45 associated funerary belongings were removed from site CA–Ker–38. These ancestors and belongings were subsequently held by the Robert H. Lowie Museum of Anthropology, which is now the Phoebe A. Hearst Museum of Anthropology at the University of California, Berkeley.

This notice is submitted jointly by the UC Berkeley and the BLM CA. The lands from which these ancestors and associated belongings originated, situated within the ancestral homelands of the Yokuts people, were under the jurisdiction of the General Land Office (GLO) until June 20, 1927. The BLM assumes responsibility for the GLO following the creation of the BLM in 1946.

Collections and collection spaces at the Phoebe A. Hearst Museum of Anthropology were historically treated with substances for preservation and pest control, some of which may have been hazardous. As of this writing, no records have been located to confirm whether such substances were used prior to 1960.

Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

Determinations

UC Berkeley and BLM CA have determined that:

- The human remains described in this notice represent the physical remains of 18 individuals of Native American ancestry.
- The 168 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.

• There is a connection between the human remains and associated funerary objects described in this notice and the Picayune Rancheria of Chukchansi Indians of California; Santa Rosa Indian Community of the Santa Rosa Rancheria, California; Table Mountain Rancheria; Tejon Indian Tribe; and the Tule River Indian Tribe of the Tule River Reservation, California.

Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after September 4, 2025. If competing requests for repatriation are received, the UC Berkeley and BLM CA must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. The UC Berkeley and BLM CA is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

Authority: Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: July 28, 2025.

Melanie O'Brien,

Manager, National NAGPRA Program.

[FR Doc. 2025–14795 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N6399; NPS–WASO–NAGPRA–NPS0040771; PPWOCRADN0–PCU00RP14.R50000]

Notice of Inventory Completion: Mercyhurst University, Erie, PA

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Mercyhurst University has completed an inventory of human remains and has determined that there is a cultural affiliation between the human remains and Indian Tribes or Native Hawaiian organizations in this notice.

DATES: Repatriation of the human remains in this notice may occur on or after September 4, 2025.

ADDRESSES: Send written requests for repatriation of the human remains in this notice to Anne Marjenin, Mercyhurst University, 501 East 38th Street, Erie, PA 16546, email *nagpra@mercyhurst.edu.*

SUPPLEMENTARY INFORMATION: This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Mercyhurst University, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

Abstract of Information Available

Human remains representing, at least, one individual have been identified. No associated funerary objects are present. On an unknown date, the individual (VM–089) was removed from an unknown geographic location in Arizona. On an unknown date, the individual was obtained by Raymond C. Vietzen (1907–1995). While there is no record regarding potentially hazardous substances having been used to treat the human remains, an unidentified adhesive is present. It is unknown when the adhesive was applied. The human remains may have been treated with an unidentified preservative coating, consolidant, or sealant. It is unknown when this unidentified substance may have been applied.

Human remains representing, at least, one individual have been identified. No associated funerary objects are present. On an unknown date, the individual (VM–075, V–MAN–0116) was removed from La Plata County, Colorado, by Isaiah ''Zeke'' Flora. On an unknown date, the individual was obtained by Raymond C. Vietzen (1907–1995). While there is no record regarding potentially hazardous substances having been used to treat the human remains, an unidentified adhesive and an unidentified substance are present. It is unknown when the adhesive and substance were applied.

Vietzen, an avocational archaeologist, collector, and author, established the Indian Ridge Museum in Elyria, Ohio, and the Archaeological Society of Ohio (formerly the Ohio Indian Relic Collectors Society). The Indian Ridge Museum, founded in the 1930s, served as Vietzen's laboratory and repository, and it remained in operation until the mid-1990s. After Vietzen's death, the facility fell into disrepair, and most of the items he had acquired and housed at the museum were sold. In 1998, the Ohio Historical Society (presently the Ohio History Connection) removed ancestral human remains and some of the remaining items from the facility and temporarily housed them at the Ohio Historical Society. In October of 2003, these remains were transferred from the Ohio Historical Society to Mercyhurst College (presently Mercyhurst University).

Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is clearly identified by the information available about the human remains described in this notice.

Determinations

Mercyhurst University has determined that:

• The human remains described in this notice represent the physical remains of two individuals of Native American ancestry.

• There is a connection between the human remains described in this notice and the Hopi Tribe of Arizona; Ohkay Owingeh, New Mexico; Pueblo of Acoma, New Mexico; Pueblo of Cochiti, New Mexico; Pueblo of Isleta, New Mexico; Pueblo of Jemez, New Mexico; Pueblo of Laguna, New Mexico; Pueblo of Nambe, New Mexico; Pueblo of Picuris, New Mexico; Pueblo of Pojoaque, New Mexico; Pueblo of San Felipe, New Mexico; Pueblo of San Ildefonso, New Mexico; Pueblo of Sandia, New Mexico; Pueblo of Santa Ana, New Mexico; Pueblo of Santa Clara, New Mexico; Pueblo of Taos, New Mexico; Pueblo of Tesuque, New Mexico; Pueblo of Zia, New Mexico; Santo Domingo Pueblo; Ysleta del Sur Pueblo; and the Zuni Tribe of the Zuni Reservation, New Mexico.

Requests for Repatriation

Written requests for repatriation of the human remains in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains described in this notice to a requestor may occur on or after September 4, 2025. If competing requests for repatriation are received, Mercyhurst University must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains are considered a single request and not competing requests. Mercyhurst University is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice.

Authority: Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: July 28, 2025.

Melanie O'Brien,

Manager, National NAGPRA Program.

[FR Doc. 2025–14799 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N6393; NPS–WASO–NAGPRA–NPS0040765; PPWOCRADN0–PCU00RP14.R50000]

Notice of Intended Repatriation: Minnesota Historical Society, St. Paul, MN

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Minnesota Historical Society intends to repatriate certain cultural items that meet the definition of unassociated funerary objects and that have a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

DATES: Repatriation of the cultural items in this notice may occur on or after September 4, 2025.

ADDRESSES: Send additional, written requests for repatriation of the cultural items in this notice to Jennifer C. Rankin, Minnesota Historical Society, 345 West Kellogg Boulevard, Saint Paul, MN 55102, email *jennifer.rankin@mnhs.org.*

SUPPLEMENTARY INFORMATION: This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the Minnesota Historical Society, and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

Abstract of Information Available

A total of seven cultural items have been requested for repatriation. The seven unassociated funerary objects are four metal ornaments, two metal rings, and one pair of spectacles that were removed from Lee County, Mississippi at an unknown date. They are part of the personal collection of Gilbert L. Wilson, an ethnographer and minister, and were donated to the Minnesota Historical Society in 1931 by Mrs. Gilbert L. Wilson. No potentially hazardous substances are known to have been used to treat the cultural items.

Determinations

The Minnesota Historical Society has determined that:

- The seven unassociated funerary objects described in this notice are reasonably believed to have been placed intentionally with or near human remains, and are connected, either at the time of death or later as part of the death rite or ceremony of a Native American culture according to the Native American traditional knowledge of a lineal descendant, Indian Tribe, or Native Hawaiian organization. The unassociated funerary objects have been identified by a preponderance of the evidence as related to human remains, specific individuals, or families, or removed from a specific burial site or burial area of an individual or individuals with cultural affiliation to an Indian Tribe or Native Hawaiian organization.
- There is a connection between the cultural items described in this notice and The Chickasaw Nation.

Requests for Repatriation

Additional, written requests for repatriation of the cultural items in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural items in this notice to a requestor may occur on or after September 4, 2025. If competing requests for repatriation are received, the Minnesota Historical Society must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural items are considered a single request and not competing requests. The Minnesota Historical Society is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

Authority: Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: July 28, 2025.

Melanie O'Brien,

Manager, National NAGPRA Program.

[FR Doc. 2025–14793 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N6403; NPS–WASO–NAGPRA–NPS0040776; PPWOCRADN0–PCU00RP14.R50000]

Notice of Inventory Completion: California Department of Parks and Recreation, Sacramento, CA

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the California Department of Parks and Recreation has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

DATES: Repatriation of the human remains and associated funerary objects in this notice may occur on or after September 4, 2025.

ADDRESSES: Send written requests for repatriation of the human remains and associated funerary objects in this notice to Dr. Leslie L. Hartzell, NAGPRA Coordinator, California Department of Parks and Recreation, P.O. Box 942896, Sacramento, CA 94296–0001, email *Leslie.Hartzell@parks.ca.gov.*

SUPPLEMENTARY INFORMATION: This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the California Department of Parks and Recreation, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

Abstract of Information Available

Human remains representing, at least, four individuals and 14 lots of associated funerary objects have been identified (Acc. Number P296/BIR 50). The 14 lots of associated funerary objects are one lot of beads, one lot of faunal bone, one lot of fire fractured stone, two lots of flakes, one lot of manos, three lots of Haliotis ornaments, three lots of pestles, and two lots of unmodified rocks. The human remains and associated funerary objects were removed from a portion of site CA–SAC–53 (Wagner Mound) located on private land, by Louis Arthur ''Sam'' Payen of the California Department of Parks and Recreation in 1956 and 1957.

Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

Determinations

The California Department of Parks and Recreation has determined that:

- The human remains described in this notice represent the physical remains of at least four individuals of Native American ancestry.
- The 14 lots of objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Ione Band of Miwok Indians of California and the Wilton Rancheria, California.

Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after September 4, 2025. If competing requests for repatriation are received, the California Department of Parks and Recreation must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. The California Department of Parks and Recreation is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

Authority: Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: July 28, 2025.

Melanie O'Brien,

Manager, National NAGPRA Program.

[FR Doc. 2025–14803 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N6397; NPS–WASO–NAGPRA–NPS0040769; PPWOCRADN0–PCU00RP14.R50000]

Notice of Inventory Completion: University of Oregon Museum of Natural and Cultural History, Eugene, OR

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the University of Oregon Museum of Natural and Cultural History has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

DATES: Repatriation of the human remains and associated funerary objects in this notice may occur on or after September 4, 2025.

ADDRESSES: Send written requests for repatriation of the human remains and associated funerary objects in this notice to Dr. Pamela Endzweig, Director of Anthropological Collections, University of Oregon Museum of Natural and Cultural History, 1224 University of Oregon, Eugene, OR 97403–1224, email *endzweig@uoregon.edu.*

SUPPLEMENTARY INFORMATION: This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the University of Oregon Museum of Natural and Cultural History, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

Abstract of Information Available

Human remains representing, at least, one individual have been identified. The 13 associated funerary objects are one worked stone, one stone tool, nine dentalia, one lot of sagebrush twine, and one lot of worked sagebrush bark. The fragmentary human remains (catalogued as 11–50, Accession 100AT) are from a female adult, estimated to have been 30–35 years of age. The human remains and associated funerary objects were transferred to the Museum by a private individual in 1936. No information concerning direct association or provenience was found, but ''Fort Rock Cave?'' was written on the accessions record at a later date. This is consistent with the donor's known collecting area. According to the accessions records, the artifacts were most likely recovered in association with the burial. Fort Rock Cave is in the historic territory of Northern Paiute peoples.

Human remains representing, at least, two individuals have been identified. There are no associated funerary objects present. The human remains (catalogued as 11–308, Accession 136) are from two adults, one male estimated to have been 20–35 years of age and one female of unknown age. The human remains were removed by a private individual from the Fort Rock area of Lake County, Oregon, in 1948, and transferred to the Museum in 1953. According to Museum records, the remains were removed from ''Fort Rock 5 miles east of Fort Rock village on Lake Road, then 1 mile south . . .'' The human remains were noted as being exposed at the site. The Fort Rock area

is in the historic territory of Northern Paiute peoples.

Human remains representing, at least, one individual have been identified. There are no associated funerary objects present. The human remains (catalogued as 11–317, Accession 222) are from an adult female estimated to have been 30–45 years of age. The human remains were removed in 1959 from the Fort Rock Valley of Lake County, Oregon, by a private individual, and accessioned by the Museum in 1961. There is no other information about this burial. The Fort Rock area is in the historic territory of Northern Paiute peoples.

Human remains representing, at least, one individual have been identified. There are no associated funerary objects present. The human remains (catalogued as 11–413, Accession 232) are from an adult male estimated to have been 25–45 years of age. The human remains were removed from the Fort Rock Valley of Lake County, Oregon, and transferred to the Museum in 1961 by a private individual. According to Museum's accessions records, the human remains were taken from ''a looter's spoil dirt.'' There are no associated artifacts. The exact location of the burial is uncertain, but believed to be from Township 26 South, Range 16 East, Section 33. The Fort Rock area is in the historic territory of Northern Paiute peoples.

Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

Determinations

The University of Oregon Museum of Natural and Cultural History has determined that:

- The human remains described in this notice represent the physical remains of five individuals of Native American ancestry.
- The 13 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Burns Paiute Tribe; Confederated Tribes of the Warm Springs Reservation of Oregon; and the Klamath Tribes.

Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after September 4, 2025. If competing requests for repatriation are received, the University of Oregon Museum of Natural and Cultural History must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. The University of Oregon Museum of Natural and Cultural History is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice.

Authority: Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: July 28, 2025.

Melanie O'Brien,

Manager, National NAGPRA Program.

[FR Doc. 2025–14797 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N6394; NPS–WASO–NAGPRA–NPS0040766; PPWOCRADN0–PCU00RP14.R50000]

Notice of Intended Repatriation: California State University, Chico, CA

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the California State University, Chico intends to repatriate certain cultural items that meet the definition of sacred objects/objects of cultural patrimony and that have a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

DATES: Repatriation of the cultural items in this notice may occur on or after September 4, 2025.

ADDRESSES: Send additional, written requests for repatriation of the cultural items in this notice to Michelle Hansen, California State University, Chico, 400 W. 1st Street, Chico, CA 95929, email *mcampbell19@csuchico.edu.*

SUPPLEMENTARY INFORMATION: This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the California State University, Chico and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

Abstract of Information Available

Tomato Patch Village Site, Fort Ross Archaeological Project–AMA–WISA–TP (CA–SON–1455/H)

A total of 4,013 cultural items, or lots of items, have been requested for repatriation. The 4,013 sacred objects/objects of cultural patrimony are 425 lots of obsidian flakes, 110 lots of projectile points, 162 lots of soil, 370 lots of debitage, 68 lots of glass, 242 lots of wood, 332 lots of unmodified faunal elements, 1,069 lots of modified stone, 14 lots of ceramics, 15 lot of metal, nine lots of plastic, 810 lots of unmodified shell, 159 lots of modified shell, six lots of modified clay, 42 lots of unmodified clay, 103 lots of charcoal, one lot of ochre, and 76 lots of unmodified flora. The archaeological recovery of the Tomato Patch Village Site (CA–SON–1455/H) was carried out in the mid-1990's by Antoinette Martinez as part of the Fort Ross Archaeological Project. The site is in Sonoma County and sits along the coastline of northern California, within the traditional territory of the Kashia Band of Pomo Indians. No known potentially hazardous substances were used to treat any of the cultural items.

Ridge Site, Fort Ross Archaeological Project-RS (CA–SON–177)

A total of 907 cultural items, or lots of items, have been requested for repatriation. The 907 sacred objects/objects of cultural patrimony are 92 lots of obsidian flakes, three lots of projectile points, 32 lots of soil, 44 lots of debitage, 43 lots of glass, 21 lots of wood, 102 lots of unmodified faunal elements, one lot of modified faunal

elements, 255 lots of modified stone, one lot of ceramics, one lot of metal, one lot of plastic, 247 lots of unmodified shell, three lots of modified shell, eight lots of unmodified clay, 17 lots of charcoal, and 36 lots of unmodified flora. The archaeological recovery of the Ridge Site (CA–SON–177) was conducted as part of the Fort Ross Archaeological Project, which took place in the early 1990's in Sonoma County. The archaeological recovery focused on the Kashia Band of Pomo Indians and their interactions with Russian settlers during the colonial period. No known potentially hazardous substances were used to treat any of the cultural items.

Determinations

The California State University, Chico has determined that:

- The 4,920 sacred objects/objects of cultural patrimony described in this notice are, according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization, specific ceremonial objects needed by a traditional Native American religious leader for present-day adherents to practice traditional Native American religion, and have ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision).
- There is a reasonable connection between the cultural items described in this notice and the Kashia Band of Pomo Indians of the Stewarts Point Rancheria, California.

Requests for Repatriation

Additional, written requests for repatriation of the cultural items in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural items in this notice to a requestor may occur on or after September 4, 2025. If competing requests for repatriation are received, the California State University, Chico must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural items are considered a single request and not competing requests. The California State University, Chico is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

Authority: Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: July 28, 2025.

Melanie O'Brien,

Manager, National NAGPRA Program.

[FR Doc. 2025–14794 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N6401; NPS–WASO–NAGPRA–NPS0040773; PPWOCRADN0–PCU00RP14.R50000]

Notice of Intended Repatriation: Autry Museum of the American West, Los Angeles, CA

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Autry Museum of the American West (Southwest Museum Collection) intends to repatriate certain cultural items that meet the definition of unassociated funerary objects, sacred objects, and/or objects of cultural patrimony and that have a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

DATES: Repatriation of the cultural items in this notice may occur on or after September 4, 2025.

ADDRESSES: Send additional, written requests for repatriation of the cultural items in this notice to Karimah Richardson, M.Phil., RPA, Associate Curator of Anthropology and Repatriation Supervisor, Autry Museum of the American West, 4700 Western Heritage Way, Los Angeles, CA. 90027, email *krichardson@theautry.org.*

SUPPLEMENTARY INFORMATION: This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the Autry Museum of the American West, and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

Abstract of Information Available

A total of 20 lots of cultural items have been requested for repatriation. The 20 unassociated funerary objects are two awls, one blade fragment, two stone points, 10 lots of shell ornaments, one arrow shaft straightener, one lot of soil, one unmodified faunal bone, and two lots of unmodified shell. In 1912 and 1913, Mrs. Ina Sizer Cassidy and her husband Mr. Gerald Cassidy (491.G) collected cultural items from various unknown sites on Anacapa Island, Channel Island, in Ventura County, CA, including their own campsite. Some objects were tagged as being collected from burials while others were classified as funerary objects through consultation. The museum does not have the physical human remains that were found with the cultural items. The Southwest Museum (now part of the Autry Museum of the American West) purchased the cultural items from the Mr. and Mrs. Cassidy in 1940.

A total of two cultural items have been requested for repatriation. The two unassociated funerary objects is two pestles. In the summer of 1937, Mr. Charles S. Thompson (690.G) collected cultural items from Santa Rosa Creek, in San Luis Obispo County, CA. Mr. Thompson donated the cultural items to the Southwest Museum (now part of the Autry Museum of the American West) in 1937.

A total of five cultural items have been requested for repatriation. The five unassociated funerary objects is one basket hopper-mortar, one pestle fragment, one stone anvil and two mano fragments. At an unknown date(s), Mr. Charles Thompson (690.G) collected cultural items from San Luis Obispo County. Only one object was collected from Cambria Pines, while the items were collected from unknown locations. Mr. Thompson donated the cultural items to the Southwest Museum (now part of the Autry Museum of the American West) in 1935.

A total of one cultural item has been requested for repatriation. The one unassociated funerary object is one wedge. The cultural item was collected by the Citizens Committee of Parks, Playgrounds, and Beaches (450.G) sometime between 1927 and 1928 at an unknown site on San Miguel Island, Channel Islands, Santa Barbara County, CA. The executive secretary of the division, Mr. Hugh R. Pomeroy, donated the cultural item to the Southwest Museum (now part of the Autry Museum of the American West) in 1928.

A total of three cultural items have been requested for repatriation. The three unassociated funerary objects are

three crescent knives. Between 1877 and 1895, Dr. Frank M. Palmer (2.P), collected cultural items from unknown sites on Santa Cruz Island, Channel Islands, in Santa Barbara County, CA. In 1895, the Southwest Museum purchased the personal collection of Dr. Palmer, their first museum curator.

A total of 11 cultural items have been requested for repatriation. The 11 unassociated funerary objects are 10 crescent knives and one abalone bone pry. Between 1877 and 1895, Dr. Frank M. Palmer (2.P), collected cultural items from unknown sites on Santa Rosa Island, Channel Islands, in Santa Barbara County, CA. In 1895, the Southwest Museum purchased the personal collection of Dr. Palmer, their first museum curator.

A total of one cultural item has been requested for repatriation. The one unassociated funerary object is one pestle. In the late 1870s, Mr. James Wesley Calkin (311.G) collected a cultural item from an unknown location within Santa Barbara County, CA. Mr. Calkin's daughter gifted the collection to the Southwest Museum in 1923.

A total of one cultural item has been requested for repatriation. The one unassociated funerary object is one chopper. At an unknown date, an unknown collector collected the cultural item (18.C.441) from an unknown site in Santa Barbara County, CA. The cultural item was found in collections without an object number. It is unknown when the object came into the Southwest Museum collection or by whom.

A total of four cultural items have been requested for repatriation. The four unassociated funerary objects are two burial markers and two pries. In July 1933, Mr. Howard Arden Edwards (33.F), former staff member, collected cultural items from either Green Harbor or Beecher's Bay on Santa Rosa Island, Channel Islands, Santa Barbara County, CA. Mr. Edwards went to the island with the sponsorship of the Southwest Museum.

A total of 39 lots of cultural items have been requested for repatriation. The 39 lots of unassociated funerary objects are one lot of basketry impressions, five lots of blades, one burin, one lot of cores, one lot of debitage, one disk, one lot of crescent knives, two lots of files, five lots of flakes, one lot of gouges, two lots of knives, one lot of modified faunal bone fragments, one lot of modified fossilized sea urchin spines, one modified stone fragment, one obsidian nodule, one paint pestle, one lot of preforms, one lot of pestles, two lots of point preforms, one lot of polishers, one whale bone rod fragment, three lots of scrapers, one lot of smoothers, one uniface, and two lots of wedge fragments. The cultural items were found in collections without object numbers a box labeled ''Channel Islands, Santa Barbara County''. The items most likely were collected before 1906 and came into the Southwest Museum in the late 1890 and early 1900s. Possible collectors are Dr. Frank M. Palmer, Mr. Arthur B. Chappelle, Mr. William Henry Burnham, Dr. Hector Alliot, Rev. Stephen Bowers, Mr. DeMoss Bowers and or the Southwest Museum Expeditions to the Channel Islands.

A total of one sacred object has been requested for repatriation. The one sacred object is a toloache mortar. On an unknown year, an unknown collector collected a toloache mortar from a road near Santa Inez in Santa Barbara County, CA. The item was found during road excavation. Mr. Fred McKinney donated the cultural item to the Southwest Museum in 1958.

Determinations

The Autry Museum of the American West has determined that:

- The 87 lots of unassociated funerary objects described above are reasonably believed to have been placed intentionally with or near individual human remains, and are connected, either at the time of death or later as part of the death rite or ceremony and are believed, by a preponderance of the evidence, to have been removed from a specific burial site of an individual or individuals with cultural affiliation to an Indian Tribe or Native Hawaiian organization.
- The one sacred object described in this notice are specific ceremonial objects needed by a traditional Native American religious leader for present-day adherents to practice traditional Native American religion, according to the Native American traditional knowledge of a lineal descendant, Indian Tribe, or Native Hawaiian organization.
- There is a reasonable connection between the cultural items described in this notice and the Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation, California.

Requests for Repatriation

Additional, written requests for repatriation of the cultural items in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural items in this notice to a requestor may occur on or after September 4, 2025. If competing requests for repatriation are received, the Autry Museum of the American West must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural items are considered a single request and not competing requests. The Autry Museum of the American West is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

Authority: Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: July 28, 2025.

Melanie O'Brien,

Manager, National NAGPRA Program.

[FR Doc. 2025–14801 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N6396; NPS–WASO–NAGPRA–NPS0040768; PPWOCRADN0–PCU00RP14.R50000]

Notice of Inventory Completion: University of Oregon Museum of Natural and Cultural History, Eugene, OR

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the University of Oregon Museum of Natural and Cultural History has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

DATES: Repatriation of the human remains and associated funerary objects in this notice may occur on or after September 4, 2025.

ADDRESSES: Send written requests for repatriation of the human remains and associated funerary objects in this notice to Dr. Pamela Endzweig, Director of Anthropological Collections, University of Oregon Museum of Natural and

Cultural History, 1224 University of Oregon, Eugene, OR 97403–1224, email *endzweig@uoregon.edu.*

SUPPLEMENTARY INFORMATION: This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the University of Oregon Museum of Natural and Cultural History and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice. The human remains and associated funerary objects were removed from Curry County, OR.

Abstract of Information Available

In 1935, human remains representing, at minimum, two individuals, were removed from Gwesa'L-henten, also known as the Euchre Creek site (35CU20), a village, burial ground, and midden, in Curry County, OR that is named as the principal village of the Euquachee band of southern Oregon Coast Athabascans. It is unknown when the site was first used, but the village was occupied by 102 individuals in when visited by Rev. Josiah Parrish in 1854. The remains were removed by J. Berreman of Stanford University in 1935 and later transferred to the University of Oregon Museum of Natural and Cultural History. Skeletal analyses indicate that the fragmentary remains include one adult female and one adult of indeterminate sex. No known individuals were identified. The 86 associated funerary objects include 85 pine nut beads and one projectile point. A second projectile point was not transferred to the Museum.

Historical Documents, ethnographic sources, and oral history indicate that the Tututni people have occupied this area of the southern Oregon coast since pre-contact times. Based on archaeological context and/or skeletal evidence, the two individuals above were determined to be Native American, of possible Tututni cultural affiliation.

Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

Determinations

The University of Oregon Museum of Natural and Cultural History have determined that:

- The human remains described in this notice represent the physical remains of two individuals of Native American ancestry.
- The 86 objects described in this notice are reasonably believed to have been placed with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Confederated Tribes of Siletz Indians of Oregon and the Coquille Indian Tribe.

Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after September 4, 2025. If competing requests for repatriation are received, the University of Oregon Museum of Natural and Cultural History must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. The University of Oregon Museum of Natural and Cultural History is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice.

Authority: Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: July 28, 2025.

Melanie O'Brien,

Manager, National NAGPRA Program.

[FR Doc. 2025–14796 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[NPS–AKRO–ANIA–DENA–CAKR–LACL–KOVA–WRST–GAAR–40393; PPAKAKROR4; PPMPRLE1Y.LS0000]

Public Meetings of the National Park Service Alaska Region Subsistence Resource Commission Program

AGENCY: National Park Service, Interior.

ACTION: Meeting notice.

SUMMARY: In accordance with the Federal Advisory Committee Act, as amended, the National Park Service (NPS) is hereby giving notice that the Aniakchak National Monument Subsistence Resource Commission (SRC), the Denali National Park SRC, the Cape Krusenstern National Monument SRC, the Lake Clark National Park SRC, the Kobuk Valley National Park SRC, the Wrangell-St. Elias National Park SRC, and the Gates of the Arctic National Park SRC will meet as indicated below.

DATES: The Aniakchak National Monument SRC will meet in-person and via videoconference from 1:00 p.m. to 5:00 p.m. or until business is completed on Tuesday, October 14, 2025. The alternate meeting date is Friday, October 17, 2025, from 1:00 p.m. to 5:00 p.m. or until business is completed at the same location and in-person and via videoconference. If an in-person meeting is not feasible or advisable, the meeting will be held solely by videoconference.

The Denali National Park SRC will meet in-person and via teleconference from 10:00 a.m. to 5:00 p.m. or until business is completed on Thursday, August 21, 2025, and Friday, August 22, 2025. If business is completed on August 21, 2025, the meeting will adjourn, no meeting will take place on August 22, 2025. The alternate meeting date is Thursday, August 28, 2025, and Friday, August 29, 2025, from 10:00 a.m. to 5:00 p.m. or until business is completed at the same location in-person and via teleconference.

The Cape Krusenstern National Monument SRC will meet in-person and via teleconference from 1:00 p.m. to 5:00 p.m. on Monday, November 3, 2025, and from 9:00 a.m. to 12:00 p.m. on Tuesday, November 4, 2025, or until business is completed. If business is completed on November 3, 2025, the meeting will adjourn, no meeting will take place on November 4, 2025. The alternate meeting dates are Monday, November 17, 2025, from 1:00 p.m. to 5:00 p.m., and Tuesday, November 18, 2025, from 9:00 a.m. to 12:00 p.m. or

until business is completed at the same location in-person and via teleconference. If an in-person meeting is not feasible or advisable, the meeting will be held solely by teleconference.

The Lake Clark National Park SRC will meet in-person and via teleconference, from 1:00 p.m. to 4:00 p.m. or until business is completed on Saturday, September 27, 2025. The alternate meeting date is Saturday, October 18, 2025, from 1:00 p.m. to 4:00 p.m. or until business is completed at the same location in-person and via teleconference. If an in-person meeting is not feasible or advisable, the meeting will be held solely by teleconference.

The Kobuk Valley National Park SRC will meet in-person and via teleconference from 1:00 p.m. to 5:00 p.m. on Wednesday, November 5, 2025, and from 9:00 a.m. to 12:00 p.m. on Thursday, November 6, 2025, or until business is completed. If business is completed on November 5, 2025, the meeting will adjourn, and no meeting will take place on November 6, 2025. The alternate meeting dates are Wednesday, November 19, 2025, from 1:00 p.m. to 5:00 p.m., and Thursday, November 20, 2025, from 9:00 a.m. to 12:00 p.m. or until business is completed at the same location and via in-person and teleconference. If an in-person meeting is not feasible or advisable, the meeting will be held solely by teleconference.

The Wrangell-St. Elias National Park SRC will meet in-person and via teleconference from 9:00 a.m. to 5:00 p.m., or until business is completed on both Thursday, September 25, 2025, and Friday, September 26, 2025. If business is completed on September 25, 2025, the meeting will adjourn, and no meeting will take place on September 26, 2025. The alternate meeting dates are Thursday, October 2, 2025, and Friday, October 3, 2025, from 9:00 a.m. to 5:00 p.m., or until business is completed at the same location in-person and via teleconference. If an in-person meeting is not feasible or advisable, the meeting will be held solely by teleconference.

The Gates of the Arctic National Park SRC will meet in-person and via teleconference from 9:00 a.m. to 5:00 p.m., or until business is completed on both Tuesday, November 4, 2025, and Wednesday, November 5, 2025. The alternate meeting dates are Tuesday, December 2, 2025, from 9:00 a.m. to 5:00 p.m., and Wednesday, December 3, 2025, from 9:00 a.m. to 5:00 p.m., or until business is completed at the same location in-person and via teleconference. If an in-person meeting is not feasible or advisable, the meeting will be held solely by teleconference.

ADDRESSES: The Aniakchak National Monument SRC will meet in-person at the Katmai National Park Office, 1001 Silver Street, King Salmon, AK 99613 and via videoconference. Teleconference participants must call the NPS office at (907) 246–2121 prior to the meeting to receive teleconference passcode information. For more detailed information regarding these meetings, or if you are interested in applying for SRC membership, contact Designated Federal Officer Mark Sturm, Superintendent, at (907) 246–2120 or via email at *mark_sturm@nps.gov,* or Mallory Zharoff, Subsistence Coordinator, at (907) 246–2121 or via email at *mallory_zharoff@nps.gov,* or Eva Patton, Federal Advisory Committee Group Federal Officer, at (907) 644–3601 or via email at *eva_patton@nps.gov.*

The Denali National Park SRC will meet in-person at Denali Totem Inn, 248.7 Milepost Parks Highway, Healy, AK 99743 and via teleconference. Teleconference participants must call the NPS office at (907) 644–3604 prior to the meeting to receive teleconference passcode information. For more detailed information regarding these meetings, or if you are interested in applying for SRC membership, contact Designated Federal Officer Brooke Merrell, Superintendent, at (907) 683–9627 or via email at *brooke_merrell@nps.gov,* or Amy Craver, Subsistence Coordinator, at (907) 644–3604 or via email at *amy_craver@nps.gov,* or Eva Patton, Federal Advisory Committee Group Federal Officer, at (907) 644–3601 or via email at *eva_patton@nps.gov.*

The Cape Krusenstern National Monument SRC will meet in-person at the Northwest Arctic Heritage Center, 171 3rd Avenue, Kotzebue, AK 99752 and via teleconference. Teleconference participants must call the NPS office at (907) 442–8342 prior to the meeting to receive teleconference passcode information. For more detailed information regarding this meeting or if you are interested in applying for SRC membership, contact Designated Federal Officer Siikauraq Whiting, Superintendent, at (907) 442–8301 or via email at *siikauraq_whiting@nps.gov,* or Emily Creek, Subsistence Coordinator, at (907) 442–8342 or via email at *emily_creek@nps.gov,* or Eva Patton, Federal Advisory Committee Group Federal Officer, at (907) 644–3601 or via email at *eva_patton@nps.gov.*

The Lake Clark National Park SRC will meet in-person at the Newhalen Community Center, Corner of Mountain View Drive and Iliamna Road, Newhalen, AK 99606 and via teleconference. Teleconference participants must call the NPS office at (907) 644–3648 prior to the meeting to receive teleconference passcode information. For more detailed information regarding this meeting or if you are interested in applying for SRC membership, contact Designated Federal Officer Grant Hilderbrand, Superintendent, at (907) 781–3080 or via email at *grant_hilderbrand@nps.gov,* or Liza Rupp, Subsistence Manager, at (907) 644–3648 or via email at *elizabeth_rupp@nps.gov,* or Eva Patton, Federal Advisory Committee Group Federal Officer, at (907) 644–3601 or via email at *eva_patton@nps.gov.*

The Kobuk Valley National Park SRC will meet in-person at the Northwest Arctic Heritage Center, 171 3rd Avenue, Kotzebue, AK 99752 and via teleconference. Teleconference participants must call the NPS office at (907) 442–8342 prior to the meeting to receive teleconference passcode information. For more detailed information regarding this meeting or if you are interested in applying for SRC membership, contact Designated Federal Officer Siikauraq Whiting, Superintendent, at (907) 442–8301 or via email at *siikauraq_whiting@nps.gov,* or Emily Creek, Subsistence Coordinator, at (907) 442–8342 or via email at *emily_creek@nps.gov,* or Eva Patton, Federal Advisory Committee Group Federal Officer, at (907) 644–3601 or via email at *eva_patton@nps.gov.*

The Wrangell-St. Elias National Park SRC will meet in-person at Musher's Hall, 1311 Alaska Highway, Tok, AK 99780 and via teleconference. The backup location is Wrangell-St. Elias National Park and Preserve Visitor Center Complex, Mile 106.8 Richardson Highway, Copper Center, AK 99573. Teleconference participants must contact Cultural Anthropologist, Amber Cohen, at (907) 822–7284 or *wrst_subsistence@nps.gov* prior to the meeting to receive teleconference passcode information. For more detailed information regarding these meetings, or if you are interested in applying for SRC membership, contact Designated Federal Officer Joshua Scott, Acting Superintendent, at (907) 822–5234 or via email at *joshua_scott@nps.gov,* or Amber Cohen, Cultural Anthropologist, at (907) 822–7284 or via email at *amber_cohen@nps.gov,* or Eva Patton, Federal Advisory Committee Group Federal Officer, at (907) 644–3601 or via email at *eva_patton@nps.gov.*

The Gates of the Arctic National Park SRC will meet in-person at Sophie Station Hotel, Zach's Boardroom, 1717 University Avenue S., Fairbanks, AK 99709 and via teleconference. The

backup location is the National Park Service Administrative Center, 4175 Geist Road, Fairbanks, AK 99709. Teleconference participants must call the NPS office at (907) 455–0639 prior to the meeting to receive teleconference passcode information. For more detailed information regarding this meeting or if you are interested in applying for SRC membership, contact Designated Federal Officer Mark Dowdle, Superintendent, at (907) 455–0614 or via email at *mark_dowdle@nps.gov,* or Marcy Okada, Subsistence Coordinator, at (907) 455–0639 or via email at *marcy_okada@nps.gov,* or Eva Patton, Federal Advisory Committee Group Federal Officer, at (907) 644–3601 or via email at *eva_patton@nps.gov.* In the event that an in-person meeting is not feasible or advisable, all meetings will be held solely via teleconference.

SUPPLEMENTARY INFORMATION: The NPS SRC program is authorized under title VIII, section 808 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3118) and in accordance with the Federal Advisory Committee Act (5 U.S.C. Ch. 10). SRC meetings are open to the public and will have time allocated for public testimony. The public is welcome to present written or oral comments to the SRC. SRC meetings will be recorded, and meeting minutes will be available upon request from the Superintendent for public inspection within 90 days after the meeting.

Meeting Accessibility/Special Accommodations: The meetings are open to the public. Please make requests in advance for sign language interpreter services, assistive listening devices, or other reasonable accommodations. We ask that you contact the person listed in the **ADDRESSES** section of this notice at least seven (7) business days prior to the meeting to give the Department of the Interior sufficient time to process your request. All reasonable accommodation requests are managed on a case-by-case basis.

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.

Purpose of the Meeting: The agenda may change to accommodate SRC business. The proposed meeting agenda for each meeting includes the following:

1. Call to Order—Confirm Quorum
2. Welcome and Introduction
3. Review and Adoption of Agenda
4. Approval of Minutes
5. Superintendent's Welcome and Review of the SRC Purpose
6. SRC Membership Status
7. SRC Chair and Members' Reports
8. Superintendent's Report
9. Old Business
10. New Business
11. Federal Subsistence Board Update
12. Alaska Boards of Fish and Game Update
13. National Park Service Staff Reports
    a. Ranger Reports
    b. Resource Manager's Report
    c. Subsistence Manager's Report
14. Public and Other Agency Comments
15. Work Session
16. Set Tentative Date and Location for Next SRC Meeting
17. Adjourn Meeting

SRC meeting location and date may change based on inclement weather or exceptional circumstances. If the meeting date and location are changed, the Superintendent will issue a press release and use local newspapers and/or radio stations to announce the rescheduled meeting.

Public Disclosure of Comments: 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: 5 U.S.C. Ch. 10.

Alma Ripps,

Chief, Office of Policy.

[FR Doc. 2025–14842 Filed 8–4–25; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF JUSTICE

[OMB Number 1125–0001]

Agency Information Collection Activities; Proposed Collection eComments Requested; Extension and Revision of a Previously Approved Collection; Application for Cancellation of Removal (Form EOIR–42A) for Certain Permanent Residents; and Application for Cancellation of Removal and Adjustment of Status (Form EOIR–42B) for Certain Nonpermanent Residents

AGENCY: Executive Office for Immigration Review, Department of Justice.

ACTION: 60-Day notice.

SUMMARY: The Executive Office for Immigration Review (EOIR), 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 60 days until October 6, 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 proposed information collection instrument with instructions or additional information, please contact Justine Fuga, Associate General Counsel, Office of the General Counsel, Executive Office for Immigration Review, 5107 Leesburg Pike, Suite 2600, Falls Church, VA 22041, telephone: (703) 305–0265, *Justine.Fuga@usdoj.gov, eoir.pra.comments@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 agency, including whether the information will have practical utility;

—Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

—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: An individual who is removable from the United States may, pursuant to section 240A of the Immigration and Nationality Act (Act), request that the Attorney General cancel their removal. To be granted such relief from removal, the applicant must prove that they meet all of the statutory prerequisites for such relief and that they are entitled to a favorable exercise

of discretion. There are two application forms available for cancellation of removal: Form EOIR–42A, for Certain Permanent Residents; and Form EOIR–42B, Adjustment of Status for Certain Nonpermanent Residents. This information collection is necessary to determine the statutory eligibility of individuals in removal proceedings who have been determined to be removable from the United States for cancellation of their removal, as well as to provide information relevant to a favorable exercise of discretion. EOIR is revising these forms to update references to filing fee information, to include a Privacy Act Notice for each form, to include the expiration date for OMB approval on each form, and to implement minor text formatting changes to improve organization, clarity, and readability.

Overview of This Information Collection

1. *Type of Information Collection:* Extension and Revision of a previously approved collection.

2. *The Title of the Form/Collection:* Application for Cancellation of Removal for Certain Permanent Residents; and Application for Cancellation of Removal and Adjustment of Status for Certain Nonpermanent Residents.

3. *The agency form number, if any, and the applicable component of the Department sponsoring the collection:* The form numbers are EOIR–42A and EOIR–42B; and the sponsoring DOJ component is EOIR.

4. *Affected public who will be asked or required to respond, as well as the obligation to respond:* Affected Public: Individuals in removal proceedings before EOIR determined to be removable from the United States. This information collection is necessary to determine the statutory eligibility of individuals in removal proceedings who have been determined to be removable from the United States for cancellation of their removal, as well as to provide information relevant to a favorable exercise of discretion pursuant to 8 U.S.C. 1229b(a); INA § 240A(a).

5. *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* It is estimated that 1,519 respondents will complete the form annually for Cancellation of Removal for Certain Permanent Residents with an average of 5 hours and 50 minutes per response. It is estimated that 15,757 respondents will complete the form annually for Cancellation of Removal and Adjustment of Status for Certain Nonpermanent Residents with an average of 5 hours and 50 minutes per response.

6. *An estimate of the total annual burden (in hours) associated with the collection:* The total annual burden hours for this collection is 8,856 hours for Cancellation of Removal for Certain Permanent Residents and 91,865 hours for Cancellation of Removal and Adjustment of Status for Certain Nonpermanent Residents.

TOTAL BURDEN HOURS

Activity	Number of respondents	Frequency	Total annual responses	Time per response (hours)	Total annual burden (hours)
EOIR–42A	1,519	1/annually	1,519	5.83	8,856
EOIR–42B	15,757	1/annually	15,757	5.83	91,865

7. *An estimate of the total annual cost burden associated with the collection, if applicable:*

TOTAL PUBLIC COST

Activity	Practitioner cost	Filing fee	Total annual responses	Total annual public cost
EOIR–42A	$70.08/hr × 5.83 hours per response = $408 per response.	$700 per response	1,519	$1,683,912
EOIR–42B	$70.08/hr × 5.83 hours per response = $408 per response.	$1,600 per response	15,757	31,640,056

Printing and postage costs associated with filing these forms may be avoided because all forms may be submitted electronically. The estimated total public cost for each form is derived by adding the estimated cost to hire a practitioner to assist with preparing the form with the filing fee per form and then multiplying by the total number of annual responses. The estimated practitioner cost is based on the average hourly wage for an attorney as estimated by the Bureau of Labor Statistics.

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: August 1, 2025.

Darwin Arceo,

Department Clearance Officer for PRA, U.S. Department of Justice.

[FR Doc. 2025–14807 Filed 8–4–25; 8:45 am]

BILLING CODE 4410–30–P

DEPARTMENT OF JUSTICE

[OMB 1140–0043]

Agency Information Collection Activities; Proposed eCollection eComments Requested; Revision of a previously approved collection Title—National Tracing Center (NTC) Trace Request/Solicitud de Rastreo del Centro Nacional de Rastreo (NTC)

AGENCY: Bureau of Alcohol, Tobacco, Firearms and Explosives, Department of Justice

ACTION: 60-Day notice.

SUMMARY: The Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) of the Department of Justice, will be submitting the following information collection request to the Office of Management and Budget (OMB) for renewal review and approval in accordance with the Paperwork Reduction Act of 1995.

DATES: Comments are encouraged and will be accepted for 60 days until October 6, 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 proposed information collection instrument with instructions or additional information, contact: Carrie Robertson, National Tracing Center Division, either by mail at 244 Needy Road; Suite 1500, Martinsburg, WV 25405, by email at *carrie.robertson@atf.gov,* or by telephone at 304–260–1695.

SUPPLEMENTARY INFORMATION: We encourage written comments and suggestions from the public and affected agencies concerning the proposed information collection. Your comments should address one or more of the following four points:

—Evaluate whether the proposed information collection is necessary to properly perform ATF's functions, including whether the information will have practical utility;

—Evaluate the agency's estimate of the proposed information collection's burden for accuracy, including validity of the methodology and assumptions used;

—Evaluate whether, and if so, how, the quality, utility, and clarity of the collected information can be enhanced; and

—Minimize the information collection's burden on those who are to respond, including using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting people to submit electronic responses.

Abstract: Law enforcement agencies (LEAs) at all levels submit requests to ATF to trace guns used in crimes. So that ATF may swiftly and accurately provide responsive information on these crime guns, ATF requests LEAs to submit certain information on Form 3312.1 that will aid ATF in tracing the firearm. ATF reports the resulting information only to the requesting LEA and does not create a registry of firearms in the process. ATF is revising information collection (IC) OMB 1140–0043 to include an increase in respondents from 1,153 annually to 17,000 since the last renewal period, a difference of 15,847 per year. This is due to more law enforcement agencies submitting more trace requests each year. The adjustments therefore also include an increase in the total number of trace requests from 24,490 during the last renewal to 510,000 now. Consequently, the total burden hours have also increased from 2,449 to 51,000, resulting in a difference since the last renewal of 48,551 total annual hours.

Overview of this information collection:

1. *Type of information collection:* Revision of a previously approved collection.

2. *Title of the form/collection:* National Tracing Center (NTC) Trace Request/Solicitud de Rastreo del Centro Nacional de Rastreo (NTC).

3. *The agency form number, if any, and the applicable component of the Department sponsoring the collection:* Form number: ATF Form 3312.1/3312.1S.

Component: Bureau of Alcohol, Tobacco, Firearms, and Explosives; U.S. Department of Justice.

4. *Affected public who will be asked or required to respond, as well as the obligation to respond:* Affected public: State, local, and tribal governments. The trace requests are voluntary or as required by the state (not ATF); however, if the respondent wants the trace to be conducted, they must provide the requested information to obtain/retain that benefit.

5. *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* An estimated 17,000 respondents will respond to this collection with 30 requests per LEA, and it will take each respondent approximately 6 minutes (0.10 hours) to complete their responses.

6. *An estimate of the total annual burden (in hours) associated with the collection:* The estimated annual public burden associated with this collection is 51,000 total hours, which is equal to 17,000 (total respondents) * 30 (# of responses per respondent) * 6 minutes (0.10 hours).

7. *An estimate of the total annual cost burden associated with the collection, if applicable:* $2,443,920.

TABLE—ESTIMATED ANNUALIZED RESPONDENT COST AND HOUR BURDEN

Activity	Number of respondents	Frequency	Total annual responses	Time per response	Total annual burden (hours)	Hourly rate	Monetized value of respondent time
LEA trace requests	17,000	30	510,000	0.10	51,000	$47.92	$2,443,920

If you need additional information, 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 31, 2025.

Darwin Arceo,

Department Clearance Officer for PRA, U.S. Department of Justice.

[FR Doc. 2025–14775 Filed 8–4–25; 8:45 am]

BILLING CODE 4410–FY–P

DEPARTMENT OF JUSTICE

[OMB Number 1121–0277]

Agency Information Collection Activities; Proposed Collection and Comments Requested; Extension of currently approved collectionTitle—OJJDP National Training and Technical Assistance Center (NTTAC) Feedback Form package

AGENCY: Office of Juvenile Justice and Delinquency Prevention, Office of Justice Programs, Department of Justice.

ACTION: 30-day notice.

SUMMARY: The Department of Justice, Office of Justice Programs has submitted 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 until September 4, 2025.

FOR FURTHER INFORMATION CONTACT: The proposed information collection was previously published in the **Federal Register** Volume 90 FR 22326, May 27, 2025, allowing for a 60-day comment period. If you have 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 Jill Molter, Digital Communications and Training and Technical Assistance Coordinator, OJJDP's NTTAC COR at 202–514–8871, Office of Juvenile Justice and Delinquency Prevention, Office of Justice Programs, Department of Justice, 999 North Capitol Street NE, Washington, DC 20002 or by email at *jill.molter@usdoj.gov.* Written comments and/or suggestions can also be sent to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attention Department of Justice Desk Officers, Washington, DC 20503 or sent to *OIRA_submissions@omb.eop.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 agency, including whether the information will have practical utility;

—Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

—Enhance the quality, utility, and clarity of the information to be collected; and/or

—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:* Extension of a currently approved collection.

2 *The Title of the Form/Collection:* OJJDP NTTAC Feedback Form Package.

3 *The agency form number:* OJJDP NTTAC, all forms included in package #1121–0277.

4 *Affected public who will be asked or required to respond, as well as a brief abstract:*

Primary: Individuals or households.

Other: Federal Government, State, local or Tribal government; Not-for-profit institutions; Businesses or other for-profit.

Abstract: The Office of Juvenile Justice and Delinquency Prevention National Training and Technical Assistance Center (NTTAC) Feedback Form Package is designed to collect in-person and online data necessary to continuously assess the outcomes of the assistance provided for both monitoring and accountability purposes and for continuously assessing and meeting the needs of the field. OJJDP NTTAC will send these forms to technical assistance (TA) recipients; conference attendees; training and TA providers; online meeting participants; in-person meeting participants; and focus group participants to capture important feedback on the recipients' satisfaction with the quality, efficiency, referrals, information and resources provided and assess the recipients' additional training and TA needs. The data will then be used to advise NTTAC on ways to improve the support provided to its users; the juvenile justice field at-large; and ultimately improve services and outcomes for youth.

5 *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* It is estimated that 4,756 respondents will complete forms, and the response time will range from .03 hours to 1.5 hours.

6 *An estimate of the total public burden (in hours) associated with the collection:* There are an estimated 430.5 total annual burden hours associated with this collection.

If additional information is required, contact Darwin Arceo, Department Clearance Officer, Service Engineering and Investment Oversight, Justice Management Division, United States Department of Justice, Two Constitution Square, 145 N Street NE, 4W–218 Washington, DC 20530.

Dated: July 31, 2025.

Darwin Arceo,

Department Clearance Officer for PRA, U.S. Department of Justice.

[FR Doc. 2025–14767 Filed 8–4–25; 8:45 am]

BILLING CODE 4410–18–P

DEPARTMENT OF JUSTICE

[OMB 1140–0094]

Agency Information Collection Activities; Proposed eCollection eComments Requested; Extension of a Previously Approved Collection; Certifying Qualifying State Relief from Disabilities Program

AGENCY: Bureau of Alcohol, Tobacco, Firearms, and Explosives, Department of Justice.

ACTION: 60-Day notice.

SUMMARY: The Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF)of the Department of Justice, will be submitting the following information collection request to the Office of Management and Budget (OMB) for renewal review and approval in accordance with the Paperwork Reduction Act of 1995.

DATES: Comments are encouraged and will be accepted for 60 days until October 6, 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 proposed information collection instrument with instructions or additional information, contact: Pamela Eisert, FIPB, either by mail at Bureau of Alcohol, Tobacco, Firearms, and Explosives; 99 New York Ave NE, Washington, DC 20226, by email at *fipb-informationcollection@atf.gov,* or by telephone at 202–648–7190.

SUPPLEMENTARY INFORMATION: We encourage written comments and suggestions from the public and affected agencies concerning the proposed

information collection. Your comments should address one or more of the following four points:

—Evaluate whether the proposed information collection is necessary to properly perform ATF's functions, including whether the information will have practical utility;

—Evaluate the agency's estimate of the proposed information collection's burden for accuracy, including validity of the methodology and assumptions used;

—Evaluate whether, and if so, how, the quality, utility, and clarity of the collected information can be enhanced; and

—Minimize the information collection's burden on those who are to respond, including using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting people to submit electronic responses.

Abstract: NICS Improvement Act sought to address gap in information from states about mental health adjudications/commitments prohibiting purchase of firearms. It authorizes grants for states to improve quality and completeness of records available to NICS, but to qualify for a grant, a state official must certify to ATF that the state has implemented a qualifying program permitting persons adjudicated as a mental defective, or committed to an institution to apply for relief from that firearms disability.

Overview of this information collection:

1. *Type of information collection:* Extension of a previously approved collection.

2. *Title of the form/collection:* Certifying Qualifying State Relief from Disabilities Program.

3. *The agency form number, if any, and the applicable component of the Department sponsoring the collection: Form number:* ATF Form 3210.12.

Component: Bureau of Alcohol, Tobacco, Firearms, and Explosives; U.S. Department of Justice.

4. *Affected public who will be asked or required to respond, as well as the obligation to respond:* Affected Public: State, local, and tribal governments.

The obligation to respond is required to obtain or retain a benefit.

5. *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* An estimated 10 respondents will respond to this collection once annually, and it will take each respondent approximately 15 minutes (0.25 hours) to complete their responses.

6. *An estimate of the total annual burden (in hours) associated with the collection:* The estimated annual public burden associated with this collection is 2.5 hours, which is equal to 10 (total respondents) * 1 (# of responses per respondent) * 15 minutes (.25 minutes).

7. *An estimate of the total annual cost burden associated with the collection, if applicable:* $120.

TABLE—ESTIMATED ANNUALIZED RESPONDENT COST AND HOUR BURDEN

Activity	Number of respondents	Frequency	Total annual responses	Time per response	Total annual burden (hours)	Hourly rate	Monetized value of respondent time
Complete	10	1	10	0.25	2.5	$47.92	$120

If you need additional information, 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 31, 2025.

Darwin Arceo,

Department Clearance Officer for PRA,U.S. Department of Justice.

[FR Doc. 2025–14774 Filed 8–4–25; 8:45 am]

BILLING CODE 4410–FY–P

DEPARTMENT OF JUSTICE

[OMB 1140–0006]

Agency Information Collection Activities; Proposed eCollection eComments Requested; Revision of a Previously Approved Collection Title—Application and Permit To Import Firearms, Ammunition, and Defense Articles

AGENCY: Bureau of Alcohol, Tobacco, Firearms, and Explosives; Department of Justice.

ACTION: 60-Day notice.

SUMMARY: The Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) of the Department of Justice, will be submitting the following information collection request to the Office of Management and Budget (OMB) for renewal review and approval in accordance with the Paperwork Reduction Act of 1995.

DATES: Comments are encouraged and will be accepted for 60 days until October 6, 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 proposed information collection instrument with instructions or additional information, contact: Austin Funk, Firearms and Explosives Import Branch, either by mail at Bureau of Alcohol, Tobacco, Firearms, and Explosives; 244 Needy Road; Martinsburg, WV 25405, by email at *Austin.Funk@atf.gov,* or by telephone at 304–616–4654.

SUPPLEMENTARY INFORMATION: We encourage written comments and suggestions from the public and affected agencies concerning the proposed information collection. Your comments should address one or more of the following four points:

—Evaluate whether the proposed information collection is necessary to properly perform ATF's functions, including whether the information will have practical utility;

—Evaluate the agency's estimate of the proposed information collection's burden for accuracy, including validity of the methodology and assumptions used;

—Evaluate whether, and if so, how, the quality, utility, and clarity of the collected information can be enhanced; and

—Minimize the information collection's burden on those who are to respond, including using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting people to submit electronic responses.

Abstract: Military members use ATF Form 5330.3B (''Form 6, part II'') to request approval to import articles

described on the application back to the U.S. ATF uses the information on Form 6, part II to determine if the article(s) described on the application qualifies to be imported by the person requesting approval and the form then serves as the authorization for them to import the items. ATF is modifying information collection (IC) OMB 1140–0006 to revise the title of the form for improved readability. ATF is also revising the form to add attachment sheets, at the request of users, to make the form more aligned with ATF Form 5330.3A (''Form 6, part I''), as well as make it easier for applicants with large numbers of item types to include in their applications. The attachment sheets include ones for defense articles and ammuition. The form instructions are also being updated to include current statute and regulation citations, some terminology changes (such as changing 'articles' to 'firearm(s), ammunition, and defense article(s)'), and contact information updates to provide the most efficient methods of contacting the office. The instructions have also been condensed and reworded for clarity. This revision also includes terminology and grammar updates. There are no program changes or adjustments associated with this renewal request. However, the number of respondents has decreased since the last renewal, from 400 down to 312 per year, a decrease of 88. This has also resulted in a decrease in the total hourly burden from 200 to 156 total annual hours.

Overview of This Information Collection

1. Type of information collection: Revision of a previously approved collection.

2. Title of the form/collection: Application and Permit to Import Firearms, Ammunition, and Defense Articles.

3. The agency form number, if any, and the applicable component of the Department sponsoring the collection: Form number: ATF Form 5330.3B (''Form 6, part II'').

Component: Bureau of Alcohol, Tobacco, Firearms, and Explosives; U.S. Department of Justice.

4. Affected public who will be asked or required to respond, as well as the obligation to respond: Affected public: Individuals.

The obligation to respond is voluntary, but mandatory to receive a approval to import.

5. An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond: An estimated 312 respondents will provide information to complete this form once annually, and it will take each respondent approximately 30 minutes to complete their responses.

6. An estimate of the total annual burden (in hours) associated with the collection: The estimated annual public burden associated with this collection is 156 total hours, which is equal to 312 (total respondents) * 1 (# of responses per respondent) * 30 minutes (0.5 hours).

7. An estimate of the total annual cost burden associated with the collection, if applicable: $3,588.

TABLE—ESTIMATED ANNUALIZED RESPONDENT COST AND HOUR BURDEN

Activity	Number of respondents	Frequency	Total annual responses	Time per response (hours)	Total annual burden (hours)	Hourly rate	Monetized value of respondent time
Complete and submit Form 6—Part II	312	1	312	0.5	156	$23	$3,588

If you need additional information, 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 31, 2025.

Darwin Arceo,

Department Clearance Officer for PRA, U.S. Department of Justice.

[FR Doc. 2025–14776 Filed 8–4–25; 8:45 am]

BILLING CODE 4410–FY–P

DEPARTMENT OF LABOR

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Notice of Special Enrollment Rights Under Group Health Plans

ACTION: Notice of availability; request for comments.

SUMMARY: The Department of Labor (DOL) is submitting this Employee Benefits Security Administration (EBSA)-sponsored information collection request (ICR) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995 (PRA). Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that the agency receives on or before September 4, 2025.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to *www.reginfo.gov/public/do/PRAMain.* Find this particular information collection by selecting ''Currently under 30-day Review—Open for Public Comments'' or by using the search function.

FOR FURTHER INFORMATION CONTACT: Michael Howell by telephone at 202–693–6782, or by email at *DOL_PRA_PUBLIC@dol.gov.*

SUPPLEMENTARY INFORMATION: Section 701(f) of the Employee Retirement Income Security Act (ERISA) provides special enrollment rights to individuals who have previously declined health coverage offered to them to enroll in health coverage upon the occurrence of specified events, including when they lose other coverage, when employer contributions to the cost of other coverage cease, and when they marry, have a child or adopt a child (''special enrollment events''). Plans and issuers are required to provide for 30-day special enrollment periods following any of these events during which individuals who are eligible but not enrolled have a right to enroll without being denied enrollment or having to wait for a late enrollment opportunity (often called ''open enrollment'').

A group health plan may require, as a pre-condition to having a special enrollment right to enroll in group health coverage after losing eligibility under other coverage, that an employee or beneficiary who declines coverage provide the plan a written statement declaring whether he or she is declining coverage because of having other coverage. Failure to provide such a written statement can then be treated as

eliminating the individual's right to special enrollment upon losing eligibility for such other coverage. The regulations further establish that the right to special enroll can be denied in such circumstances only if employees are given notice of the requirement for a written statement and the consequences of failing to provide the written statement at the time an employee declines enrollment. As part of the special enrollment notice, it must be given at or before the time the employee is initially offered the opportunity to enroll.

This information collection request covers the requirement in the implementing regulations under section 701(f) for a special enrollment notice. This information collection implements the disclosure obligation of a plan to inform all employees, at or before the time they are initially offered the opportunity to enroll in the plan, of the plan's special enrollment rules. The regulations require plans and their issuers to provide all employees with a notice describing their special enrollment rights, whether or not they enroll. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on January 6, 2025 (90 FR 671).

Comments are invited on: (1) whether the collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; (2) the accuracy of the agency's estimates of the burden and cost of the collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collection; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless the OMB approves it and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid OMB Control Number. *See* 5 CFR 1320.5(a) and 1320.6.

DOL seeks PRA authorization for this information collection for three (3) years. OMB authorization for an ICR cannot be for more than three (3) years without renewal. The DOL notes that information collection requirements submitted to the OMB for existing ICRs receive a month-to-month extension while they undergo review.

Agency: DOL–EBSA.

Title of Collection: Notice of Special Enrollment Rights under Group Health Plans.

OMB Control Number: 1210–0101.

Affected Public: Private sector.

Total Estimated Number of Respondents: 2,588,300.

Total Estimated Number of Responses: 10,585,910.

Total Estimated Annual Time Burden: 0 hours.

Total Estimated Annual Other Costs Burden: $ 110,358.

(Authority: 44 U.S.C. 3507(a)(1)(D))

Michael Howell,

Senior Paperwork Reduction Act Analyst.

[FR Doc. 2025–14745 Filed 8–4–25; 8:45 am]

BILLING CODE 4510–29–P

DEPARTMENT OF LABOR

Agency Information Collection Activities; Submission for OMB Review;

Comment Request; ACH Vendor Payment Enrollment

ACTION: Notice of availability; request for comments.

SUMMARY: The Department of Labor (DOL) is submitting this Office of Workers' Compensation Programs (OWCP)-sponsored information collection request (ICR) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995 (PRA). Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that the agency receives on or before September 4, 2025.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to *www.reginfo.gov/public/do/PRAMain.* Find this particular information collection by selecting ''Currently under 30-day Review—Open for Public Comments'' or by using the search function.

Comments are invited on: (1) whether the collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; (2) the accuracy of the agency's estimates of the burden and cost of the collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collection; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

FOR FURTHER INFORMATION CONTACT: Nicole Bouchet by telephone at 202–693–0213, or by email at *DOL_PRA_PUBLIC@dol.gov.*

SUPPLEMENTARY INFORMATION: The information provided is used by the bill processing contractor on behalf of the programs to direct payment to providers of medical and vocational rehabilitation services, accurately and in a timely manner. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on October 31, 2024 (89 FR 86841).

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless the OMB approves it and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid OMB Control Number. See 5 CFR 1320.5(a) and 1320.6.

DOL seeks PRA authorization for this information collection for three (3) years. OMB authorization for an ICR cannot be for more than three (3) years without renewal. The DOL notes that information collection requirements submitted to the OMB for existing ICRs receive a month-to-month extension while they undergo review.

Agency: DOL–OWCP.

Title of Collection: ACH Vendor Payment Enrollment.

OMB Control Number: 1240–0NEW.

Affected Public: Individuals and Households.

Total Estimated Number of Respondents: 35,424.

Total Estimated Number of Responses: 35,424

Total Estimated Annual Time Burden: 1,771 hours.

Total Estimated Annual Other Costs Burden: $280.00.

(Authority: 44 U.S.C. 3507(a)(1)(D))

Nicole Bouchet,

Senior PRA Analyst.

[FR Doc. 2025–14747 Filed 8–4–25; 8:45 am]

BILLING CODE 4510–26–P

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

National Endowment for the Arts

Arts Advisory Panel Meetings

AGENCY: National Endowment for the Arts.

ACTION: Notice of meetings.

SUMMARY: Pursuant to the Federal Advisory Committee Act, as amended, notice is hereby given that 1 meeting of the Arts Advisory Panel to the National Council on the Arts will be held by teleconference or videoconference.

DATES: See the **SUPPLEMENTARY INFORMATION** section for individual meeting times and dates. All meetings are Eastern time and ending times are approximate:

ADDRESSES: National Endowment for the Arts, Constitution Center, 400 7th St., SW, Washington, DC 20506.

FOR FURTHER INFORMATION CONTACT: Further information with reference to these meetings can be obtained from Lara Allee, Office of Guidelines & Panel Operations, National Endowment for the Arts, Washington, DC 20506; *alleel@arts.gov,* or call 202–682–5698.

SUPPLEMENTARY INFORMATION: The closed portions of meetings are for the purpose of Panel review, discussion, evaluation, and recommendations on financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including information given in confidence to the agency. In accordance with the determination of the Chair of March 11, 2022, these sessions will be closed to the public pursuant to 5 U.S.C. 10.

The upcoming meetings are:

Theater (review of applications): This meeting will be closed.

Date and time: September 3, 2025; 12:00 p.m. to 2:00 p.m.

Dated: August 1, 2025.

Daniel Beattie,

Director of Guidelines and Panel Operations, National Endowment for the Arts.

[FR Doc. 2025–14833 Filed 8–4–25; 8:45 am]

BILLING CODE 7537–01–P

OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE

Privacy Act of 1974; System of Records

AGENCY: National Counterintelligence and Security Center (NCSC), Office of the Director of National Intelligence (ODNI).

ACTION: Notice of a modified system of records.

SUMMARY: The NCSC is revising a system of records subject to the Privacy Act of 1974, as amended, 5 U.S.C. 552a, in order to (1) update the name to ODNI/NCSC—001, ''Damage Assessment Records''; (2) update and modernize the administrative information; (3) clarify that the scope of the damage assessments is not limited to espionage or criminal violations but to actual or potential damage to national security resulting from the unauthorized disclosure or compromise of classified information; (4) clarify the categories of individuals covered by the system and records in the system to align with the lawful scope of damage assessments; and (5) clarify that portions of records, and not only final damage assessments, may be disclosed pursuant to the routine uses.

DATES: Comments on this proposed modified system of records must be submitted by September 4, 2025. This modified System of Records Notice will go into effect thirty days after the date of publication in the **Federal Register**, unless changes are required as a result of public comment, per OMB A–108, Section 6(e).

ADDRESSES: You may submit comments by any of the following methods:

Federal eRulemaking Portal: http://www.regulations.gov.

Email: transparency@dni.gov.

Mail: Director, Information Management Office, Chief Operating Officer, Office of the Director of National Intelligence (ODNI), Washington, DC 20511.

SUPPLEMENTARY INFORMATION: This SORN was originally published on 28 December 2007, as ''Damage Assessment Records'' (ONCIX/ODNI–001) by the Office of the National Counterintelligence Executive (ONCIX). ONCIX was established by the President and later codified in statute by the Counterintelligence Enhancement Act of 2002. Under the Intelligence Reform and Terrorism Prevention Act (IRTPA) of 2004, ONCIX became a component of the ODNI. On 1 December 2014, consistent with the authority of the Director of National Intelligence (DNI) to establish national intelligence centers to address intelligence priorities, the DNI established the National Counterintelligence and Security Center (NCSC) to effectively integrate and align counterintelligence and security mission areas and allow the DNI to address counterintelligence and security responsibilities under a single organizational construct. Following a period where NCSC fulfilled ONCIX's counterintelligence responsibilities, NCSC superseded ONCIX in statute in 2017; the Director of NCSC similarly superseded the role of the National Counterintelligence Executive (NCIX).

The Director of NCSC serves as the head of national counterintelligence for the U.S. Government and is the principal substantive advisor to the DNI on counterintelligence issues. NCSC oversees and coordinates the production of strategic analysis of counterintelligence matters, including in-depth damage assessments that evaluate the actual or potential damage to national security resulting from the unauthorized disclosure or compromise of classified information.

The system of records published herewith contains information about unauthorized disclosures, including acts of espionage or other national security-related crimes. Accordingly, to protect classified and sensitive law enforcement information, and to prevent the compromise of sources and methods, ODNI has published a rule (73 FR 16539 (Mar. 28, 2008)) to exempt this system of records from certain portions of the Privacy Act and those records for which the source agency claimed exemption.

The NCSC is revising this SORN in order to (1) update the name to ODNI/NCSC—001, ''Damage Assessment Records''; (2) update and modernize the administrative information; (3) clarify that the scope of the damage assessments is not limited to espionage or criminal violations but to actual or potential damage to national security resulting from the unauthorized disclosure or compromise of classified information; (4) clarify the categories of individuals covered by the system and records in the system to align with the lawful scope of damage assessments; and (5) clarify that portions of records, and not only final damage assessments, may be disclosed pursuant to the routine uses.

SYSTEM NAME AND NUMBER:

ODNI/NCSC—001, ''Damage Assessment Records.''

SECURITY CLASSIFICATION:

The classification of records in this system can range from UNCLASSIFIED to TOP SECRET.

SYSTEM LOCATION:

Office of the Director of National Intelligence (ODNI), National Counterintelligence and Security Center (NCSC), Washington, DC 20511.

SYSTEM MANAGER(S):

Assistant Director, Mission Capabilities Directorate, ODNI/NCSC, Washington, DC 20511.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

The Intelligence Reform and Terrorism Prevention Act of 2004, Public Law 108–458, 118 Stat. 3638; Consolidated Appropriations Act, 2017, Public Law 115–31, 131 Stat. 817; The National Security Act of 1947, 50 U.S.C. 3023 *et seq.,* as amended; The Counterintelligence Enhancement Act of 2002, as amended; and Executive Order 12333, as amended.

PURPOSE(S) OF THE SYSTEM:

The NCSC Damage Assessment Records System supports NCSC's responsibility to evaluate the actual or potential damage to national security resulting from an unauthorized disclosure of classified information.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals known or suspected to have committed an unauthorized disclosure or compromise of classified information, including those convicted of, or indicted for, espionage or other national security-related crimes, and whose activities are the subject of an NCSC-led damage assessment; individuals whose identities and government affiliations are known or believed to have been compromised as a result of the unauthorized disclosure; individuals who are identified in records related to the unauthorized disclosure or compromise; individuals interviewed in association with the damage assessment, or individuals mentioned in such interviews, such as colleagues, friends, acquaintances, and family members of individuals known or suspected to have committed an unauthorized disclosure or compromise; and individuals who may have knowledge of facts surrounding the unauthorized disclosure or compromise.

CATEGORIES OF RECORDS IN THE SYSTEM:

Final and draft damage assessments; records about unauthorized disclosures or compromises of classified information and copies of records known or suspected of having been disclosed or compromised in an unauthorized manner, including law enforcement records (*e.g.,* convictions, subpoenas, rap sheets); records of investigations conducted by the FBI or other law enforcement elements; records received in response to information requests to government agencies or entities pursuant to damage assessments; transcripts (including precursor records) of debriefings/interviews of individuals known or suspected to have committed an unauthorized disclosure or compromise, and with individuals who possess knowledge that may be relevant to the unauthorized disclosure or compromise; information about, and psychological assessment records/profiles and polygraph records of, individuals known or suspected to have committed an unauthorized disclosure or compromise; personal information and personally identifiable information (PII) (*e.g.,* name, address, phone number, Social Security number (SSN), date of birth (DOB)) belonging to individuals known or suspected to have committed an unauthorized disclosure or compromise, or to other individuals interviewed in connection with an investigation of the disclosure/compromise or assessment of the damage.

RECORD SOURCE CATEGORIES:

Records derived from human and record sources consulted in the course of investigating disclosure of classified information.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act of 1974, as amended, records or portions of records maintained in this system may be disclosed outside ODNI as a routine use pursuant to 5 U.S.C. 552a(b)(3) and in accordance with the following routine uses, including select routine uses published in the ODNI rule implementing the Privacy Act Subpart C of ODNI's Privacy Act Regulation published at 32 CFR part 1701 (73 FR 16531, 16541):

(a) Except as noted on Standard Forms 85, 85P and 86 or the successor personnel vetting questionnaire and supplemental forms thereto (questionnaires for employment within the Federal government), a record that on its face or in conjunction with other information indicates or relates to a violation or potential violation of law, whether civil, criminal, administrative, or regulatory in nature, and whether arising by general statute, particular program statute, regulation, rule, or order issued pursuant thereto, may be disclosed as a routine use to an appropriate Federal, state, territorial, tribal, local law enforcement authority, foreign government, or international law enforcement authority, or to an appropriate regulatory body charged with investigating, enforcing, or prosecuting such violations.

(b) A record from this system of records may be disclosed as a routine use, subject to appropriate protections for further disclosure, in the course of presenting information or evidence to an administrative law judge or to the presiding official of an administrative board, panel or other administrative body.

(c) A record from this system of records may be disclosed as a routine use to representatives of the Department of Justice or any other entity responsible for representing the interests of ODNI in connection with potential or actual civil, criminal, administrative, judicial or legislative proceedings or hearings, for the purpose of representing or providing advice to: ODNI; any staff of ODNI in his or her official capacity; any staff of ODNI in his or her individual capacity where the staff has submitted a request for representation by the United States or for reimbursement of expenses associated with retaining counsel; or the United States or another Federal agency, when the United States or the agency is a party to such proceeding and the record is relevant and necessary to such proceeding.

(d) A record from this system of records may be disclosed as a routine use in a proceeding before a court, magistrate, special master, or adjudicative body when any of the following is a party to litigation or has an interest in such litigation, and ODNI, Office of General Counsel, determines that use of such records is relevant and necessary to the litigation: ODNI; any staff of ODNI in his or her official capacity; any staff of ODNI in his or her individual capacity where the Department of Justice has agreed to represent the staff or has agreed to provide counsel at government expense; or the United States or another Department or agency (D/A), where ODNI, Office of General Counsel, determines that litigation is likely to affect ODNI.

(e) A record from this system of records may be disclosed as a routine use to representatives of the Department of Justice and other U.S. Government entities, to the extent necessary to obtain advice on any matter within the official responsibilities of such representatives and the responsibilities of ODNI.

(f) A record from this system of records may be disclosed as a routine use to a Federal, state or local agency or other appropriate entities or individuals from which/whom information may be sought relevant to: a decision concerning the hiring or retention of an

employee or other personnel action; the issuing or retention of a security clearance or special access, contract, grant, license, or other benefit; or the conduct of an authorized investigation or inquiry, to the extent necessary to identify the individual, inform the source of the nature and purpose of the inquiry, and identify the type of information requested.

(g) A record from this system of records may be disclosed as a routine use to any Federal, state, local, tribal or other public authority, or to a legitimate agency of a foreign government or international authority to the extent the record is relevant and necessary to the other entity's decision regarding the hiring or retention of an employee or other personnel action; the issuing or retention of a security clearance or special access, contract, grant, license, or other benefit; or the conduct of an authorized investigation or inquiry, to the extent necessary to identify the individual, inform the source of the nature and purpose of the inquiry, and identify the type of information requested.

(h) A record from this system of records may be disclosed as a routine use to any agency, organization, or individual for authorized audit operations, and for meeting related reporting requirements, including disclosure to the National Archives and Records Administration for records management inspections and such other purposes conducted under the authority of 44 U.S.C. 2904 and 2906, or successor provisions.

(i) A record from this system of records may be disclosed as a routine use pursuant to Executive Order to the President's Foreign Intelligence Advisory Board, the President's Intelligence Oversight Board, to any successor organizations, and to any intelligence oversight entity established by the President, when the Office of the General Counsel or the Office of the Inspector General determines that disclosure will assist such entities in performing their oversight functions and that such disclosure is otherwise lawful.

(j) A record from this system of records may be disclosed as a routine use to contractors, grantees, experts, consultants, or others when access to the record is necessary to perform the function or service for which they have been engaged by ODNI.

(k) A record from this system of records may be disclosed as a routine use to any Federal D/A when documents or other information obtained from that D/A are used in compiling the record and the record is relevant to the official responsibilities of that D/A, provided that disclosure of the recompiled or enhanced record to the source agency is otherwise authorized and lawful.

(l) A record from this system of records may be disclosed as a routine use for the purpose of conducting or supporting authorized ''counterintelligence'' activities as defined by section 3(3) of the National Security Act of 1947, as amended, to elements of the ''intelligence community'' as defined by section 3(4) of the National Security Act of 1947, as amended [definitions codified at 50 U.S.C. 3003]; to the head of any Federal D/A; and to selected counterintelligence officers within the Federal government.

(m) A record from this system of records may be disclosed as a routine use to a Federal, state, local, tribal, territorial, foreign, or multinational government agency or entity, or to other authorized entities or individuals, but only if such disclosure is undertaken in furtherance of responsibilities conferred by, and in a manner consistent with, the National Security Act of 1947, as amended; the Counterintelligence Enhancement Act of 2002, as amended; Executive Order 12333, as amended, or any successor order together with its implementing procedures approved by the Attorney General; and other provisions of law, including Executive Orders or directives relating to national intelligence or otherwise applicable to ODNI. This routine use is not intended to supplant the other routine uses published by ODNI.

(n) A record from this system of records may be disclosed as a routine use to appropriate agencies, entities, and persons when: (1) ODNI suspects or has confirmed that there has been a breach of the system of records; (2) ODNI has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, ODNI (including its information systems, programs, and operations), the Federal government, or national security, and; (3) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with ODNI's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

(o) A record from this system of records may be disclosed as a routine use to another Federal agency or Federal entity, when ODNI determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (1) responding to a suspected or confirmed breach or (2) preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

Electronic records are stored in secure fileservers located in government-managed facilities on secure, private cloud-based systems that are connected only to a government network. Paper records are stored in secured areas of facilities within the control of the Federal government.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

The records in this system are retrieved by name, Social Security number, or other unique identifier. Information may be retrieved from this system of records by automated capabilities used in the normal course of business. All searches of this system of records are performed by authorized executive branch personnel.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

Pursuant to 44 U.S.C. 3303a(d) and 36 CFR Chapter 12, Subchapter B, Part 1228-Disposition of Federal Records, records will not be disposed of until such time as the National Archives and Records Administration (NARA) approves an applicable ODNI Records Control Schedule.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

Information in this system is safeguarded in accordance with recommended and/or prescribed administrative, physical, and technical safeguards. Records are maintained in secure government-managed facilities with access limited to authorized personnel. Physical security protections include guards and locked facilities requiring badges and passwords for access.

Records are accessed only by current government-authorized personnel whose official duties require access to the records. Electronic authorization and authentication of users is required at all points before any system information can be accessed. Communications are encrypted where required and other safeguards are in place to monitor and audit access, and to detect intrusions. System backup is maintained separately.

RECORD ACCESS PROCEDURES:

As specified below, records in this system have been exempted from

certain notification, access, and amendment procedures. A request for access to non-exempt records shall be made in writing by email to *ODNI_FOIA@odni.gov* or with the envelope and letter clearly marked ''Privacy Act Request.'' Requesters shall provide their full name and complete address. The requester must sign the request and have it verified by a notary public or submit under 28 U.S.C. 1746, certifying the requester's identity and understanding that obtaining a record under false pretenses constitutes a criminal offense. Requests for access to information must be addressed to the Director, Information Management Office, Office of the Director of National Intelligence, Washington, DC 20511. Regulations governing access to one's records or for appealing an initial determination concerning access to records are contained in the ODNI regulation implementing the Privacy Act, 32 CFR part 1701 (73 FR 16531).

CONTESTING RECORDS PROCEDURES:

As specified below, records in this system have been exempted from certain notification, access and amendment procedures. Individuals seeking to correct or amend non-exempt records should address their requests at the address and according to the requirements set forth above under the heading ''Record Access Procedures.'' Regulations regarding requests to amend, for disputing the contents of one's record or for appealing initial determinations concerning these matters are contained in the ODNI regulation implementing the Privacy Act, 32 CFR part 1701 (73 FR 16531).

NOTIFICATION PROCEDURES:

As specified below, records in this system are exempt from certain notification, access, and amendment procedures. Individuals seeking to learn whether this system contains non-exempt information about them should address inquiries to ODNI at the address and according to the requirements set forth above under the heading ''Record Access Procedures.''

EXEMPTIONS PROMULGATED FOR THE SYSTEM:

Records contained within this System of Records may be exempted from the requirements of subsections (c)(3); (d)(1),(2),(3),(4); (e)(1) and (e)(4),(G),(H),(I); and (f) of the Privacy Act pursuant to 5 U.S.C. 552a(k)(1), and (k)(2). Records may be exempted from these subsections or, additionally, from the requirements of subsections (c)(4); (e)(2),(3),(5),(8)(12); and (g) of the Privacy Act consistent with any exemptions claimed under 5 U.S.C. 552a(j) or (k) by the originator of the record, provided the reason for protecting the record from disclosure remains valid and necessary.

HISTORY:

This is a revision to an existing ODNI/NCSC system of records, ONCIX/NCSC–001, Damage Assessment Records, 72 FR 73898 (Dec. 28, 2007). In accordance with 5 U.S.C. 552(r), ODNI has provided a report of this revision to the Office of Management and Budget and to Congress.

Dated: July 10, 2025.

Rebecca J. Richards,

Civil Liberties Protection Officer, Office of the Director of National Intelligence.

[FR Doc. 2025–14825 Filed 8–4–25; 8:45 am]

BILLING CODE 9500–01–P–P

NUCLEAR REGULATORY COMMISSION

[Docket No. 50–410; NRC–2025–0742]

Constellation Energy Generation, LLC; Nine Mile Point Nuclear Station, Unit 2; License Amendment Request

AGENCY: Nuclear Regulatory Commission.

ACTION: Opportunity to comment, request a hearing, and to petition for leave to intervene.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an amendment to Renewed Facility Operating License (RFOL) No. NPF–69, issued to Constellation Energy Generation, LLC (CEG, or the licensee) for operation of the Nine Mile Point Nuclear Station, Unit 2, located in Oswego, New York. The proposed license amendment would revise the technical specifications (TS) to eliminate the requirement for automatic main steam line (MSL) isolation based on the temperature in the area around the MSL. In lieu of automatic isolation, a new specification is proposed that requires manual action when the MSL area temperature is above the limit.

DATES: Submit comments by September 4, 2025. Comments received after this date will be considered if it is practical to do so, but the NRC is able to ensure consideration only for comments received on or before this date. Requests for a hearing or petition for leave to intervene must be filed by October 6, 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–2025–0742. 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: Richard Guzman, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–1030; email: *Richard.Guzman@nrc.gov.*

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC–2025–0742 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–2025–0742.
- *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.* The ADAMS accession number for each document referenced (if it is available in ADAMS) is provided the first time that it is mentioned in this document.
- *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–2025–0742 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. Introduction

The NRC is considering issuance of an amendment to RFOL No. NPF–69 for Nine Mile Point Nuclear Station, Unit 2, located in Oswego, New York, Docket No. 50–410.

By letter dated July 18, 2025 (ADAMS Accession No. ML25199A162), Constellation Energy Generation, LLC submitted a license amendment request for Nine Mile Point Nuclear Station, Unit 2, to revise Technical Specification Limiting Condition for Operation (LCO) 3.3.6.1, Table 3.3.6.1–1, by deleting Trip Function 1.e, ''Main Steam Line Tunnel Temperature—High,'' Trip Function 1.f, ''Main Steam Line Tunnel Differential Temperature—High,'' and Trip Function 1.g, ''Main Steam Line Tunnel Lead Enclosure Temperature—High,'' and inserting the word ''Deleted'' in Table 3.3.6.1–1, ''Primary Containment Isolation Instrumentation,'' for each deleted Trip Function. The proposed change adds a new TS LCO 3.7.7, ''Main Steam Line (MSL) Area Temperature,'' to require MSL area maximum temperatures to be maintained less than or equal to the limits specified in new Table 3.7.7–1. The proposed change also adds a new corresponding surveillance requirement to require verification that the MSL area temperatures are maintained in accordance with Table 3.7.7–1 on a frequency controlled by the Surveillance Frequency Control Program.

Before issuance of the proposed license amendment, the NRC will need to make the findings required by the Atomic Energy Act of 1954, as amended (the Act), and NRC's regulations.

The NRC has made a proposed determination that the license amendment request involves no significant hazards consideration. Under the NRC's regulations in section 50.92 of title 10 of the *Code of Federal Regulations* (10 CFR), ''Issuance of amendment,'' states that operation of the facility in accordance with the proposed amendment 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. As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented as follows:

1. Does the proposed amendment involve a significant increase in the probability or consequences of an accident previously evaluated?

Response: No.

The proposed changes do not alter any of the previously evaluated accidents in the USAR [Updated Safety Analysis Report]. The proposed changes do not affect any of the initiators of previously evaluated accidents in a manner that would increase the likelihood of the event. The proposed change also eliminates the automatic Main Steam Isolation Valve (MSIV) isolation function associated with MSL Area high temperature from the requirements of the Technical Specifications (TS) and creates TS requirements for MSL Area temperature monitoring in a new TS 3.7.7.

Automatic isolation of the MSIVs on MSL Area high temperature is not an initiator of any accident previously evaluated. A manual plant shutdown initiated due to MSL leakage in the MST [Main Steam Tunnel] or MSTLE [Main Steam Tunnel Lead Enclosure] is not an initiator of any accident previously evaluated. There is no credit taken in any licensing basis analysis for MSIV closure on MSL Area high temperature, and there are no calculations that credit the subject isolation function as a mitigative feature.

As a result, the likelihood of malfunction of an SSC [structures, systems and components] is not increased. The capability and operation of the mitigation systems are not affected by the proposed changes. Thus, the mitigating systems will continue to be initiated and mitigate the consequences of an accident as assumed in the analysis of accidents previously evaluated.

Therefore, the proposed changes do not involve a significant increase in the probability or consequences of an accident previously evaluated.

2. Does the proposed amendment create the possibility of a new or different kind of accident from any accident previously evaluated?

Response: No.

The proposed TS changes involve a change in the surveillance testing intervals to facilitate a change in the operating cycle length. The proposed TS changes do not introduce any failure mechanisms of a different type than those previously evaluated, since there are no physical configuration or design changes being made to the facility.

No new or different equipment is being installed. No installed equipment is being operated in a different manner. As a result, no new failure modes are being introduced.

Therefore, the proposed change does not create the possibility of a new or different kind of accident from any previously evaluated.

3. Does the proposed amendment involve a significant reduction in a margin of safety?

Response: No.

The proposed TS changes involve a change in the surveillance testing intervals to facilitate a change in the operating cycle length. The impact of these changes on system availability is not significant, based on other more frequent testing that is performed, the existence of redundant systems and equipment, and overall system reliability.

The proposed changes do not significantly impact the condition or performance of structures, systems, and components relied upon for accident mitigation. The proposed changes do not result in any hardware changes or in any changes to the analytical limits assumed in accident analyses. Existing operating margin between plant conditions and actual plant setpoints is not significantly reduced due to these changes. The proposed changes do not significantly impact any safety analysis assumptions or results. Therefore, the proposed change does not involve a significant reduction in a margin of safety.

The NRC staff has reviewed the licensee's analysis and considers the licensee's discussion of proposed TS changes. Based on the NRC staff's

review, the staff has determined that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the license amendment request involves no significant hazards consideration.

The NRC is seeking public comments on this proposed determination that the license amendment request involves no significant hazards consideration. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of 60 days after the date of publication of this notice. The Commission may issue the license amendment before expiration of the 60-day notice period if the Commission concludes that the amendment involves no significant hazards consideration. In addition, the Commission may issue the amendment 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 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 no significant hazards consideration determination, any hearing will take place after issuance. The Commission expects that the need to take this action before the 60-day notice period has elapsed will occur very infrequently.

III. 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 this action may file a request for a hearing and petition for leave to intervene (petition) with respect to the 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 10 CFR 2.309. If a petition is filed, the 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 consideration, which will serve to establish when the hearing is held. If the final determination is that the license 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 the NRC's public website (*https://www.nrc.gov/about-nrc/regulatory/adjudicatory/hearing.html#participate*).

IV. Electronic Submissions and 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 (*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 is created, the participant must submit adjudicatory documents in the 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 in order 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 otherwise 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.

For further details with respect to this action, see the application for license amendment dated July 18, 2025 (ADAMS Accession No. ML25199A162).

Attorney for licensee: Jason Zorn, Associate General Counsel, Constellation Energy Generation, LLC, 101 Constitution Ave. NW, Suite 400 East, Washington, DC 20001.

NRC Branch Chief: Hipólito González.

Dated: July 31, 2025.

For the Nuclear Regulatory Commission.

Richard Guzman,

Senior Project Manager, Plant Licensing Branch 1, Division of Operating Reactor Licensing, Office of Nuclear Reactor Regulation.

[FR Doc. 2025–14746 Filed 8–4–25; 8:45 am]

BILLING CODE 7590–01–P

POSTAL REGULATORY COMMISSION

[Docket Nos. K2025–513; MC2025–1597 and K2025–1589; MC2025–1598 and K2025–1590]

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:* August 8, 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)
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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.

[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).

II. Public Proceeding(s)

1. *Docket No(s).:* K2025–513; *Filing Title:* USPS Request Concerning Amendment One to Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 810, with Materials Filed Under Seal; *Filing Acceptance Date:* July 31, 2025; *Filing Authority:* 39 CFR 3035.105 and 39 CFR 3041.505; *Public Representative:* Christopher Mohr; *Comments Due:* August 8, 2025.

2. *Docket No(s).:* MC2025–1597 and K2025–1589; *Filing Title:* USPS Request to Add Priority Mail Contract 916 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* July 31, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Kenneth Moeller; *Comments Due:* August 8, 2025.

3. *Docket No(s).:* MC2025–1598 and K2025–1590; *Filing Title:* USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 1396 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* July 31, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Gregory Stanton; *Comments Due:* August 8, 2025.

III. Summary Proceeding(s)

None. See Section II for public proceedings.

This Notice will be published in the **Federal Register**.

Jennie L. Jbara,

Primary Certifying Official.

[FR Doc. 2025–14824 Filed 8–4–25; 8:45 am]

BILLING CODE 7710–FW–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103612; File No. SR–MIAX–2025–36]

Self-Regulatory Organizations; Miami International Securities Exchange, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 402, Criteria for Underlying Securities, Exchange Rule 307, Position Limits, and Exchange Rule 309, Exercise Limits To Allow the Exchange To List and Trade Options on the VanEck Bitcoin Trust

July 31, 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 July 30, 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 Exchange Rule 402, Criteria for Underlying Securities, Exchange Rule 307, Position Limits, and Exchange Rule 309, Exercise Limits, to list and trade options on the VanEck Bitcoin Trust (the ''Trust'').

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,* and at MIAX's principal office.

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 Exchange Rule 402, Criteria for Underlying Securities, Exchange Rule 307, Position Limits, and Exchange Rule 309, Exercise Limits,[3] to allow the Exchange to list and trade options on the Fund, designating it as appropriate for options trading on the Exchange.[4] This is a competitive filing based on a similar proposal submitted by Cboe Exchange, Inc. (''Cboe''), which was approved by the Securities and Exchange Commission (the ''Commission'').[5]

Current Exchange Rule 402(i)(4) provides that, subject to certain other criteria set forth in that Rule, securities deemed appropriate for options trading include shares or other securities (''Exchange Traded Fund Shares'' or ''ETFs'') that represent certain types of interests,[6] including interests in certain

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] The Exchange notes that its affiliate options exchanges, MIAX PEARL, LLC (''MIAX Pearl'') and MIAX Sapphire, LLC (''MIAX Sapphire''), submitted (or will submit) substantively similar proposals. The Exchange notes that all the rules of Chapter III of MIAX, including Exchange Rules 307 and 309, are incorporated by reference into the MIAX Pearl and MIAX Sapphire rulebooks. The Exchange also notes that all of the rules of Chapter III of MIAX, including Exchange Rules 307 and 309, and the rules of Chapter IV of MIAX, including Exchange Rule 402, are incorporated by reference into the MIAX Emerald, LLC (''MIAX Emerald'') rulebook.

[4] *See* Securities Exchange Act Release No. 99306 (January 10, 2024), 89 FR 3008 (January 17, 2024) (SR–CboeBZX–2023–040) (Order Granting Accelerated Approval of Proposed Rule Changes, as Modified by Amendments Thereto, to List and Trade Bitcoin-Based Commodity-Based Trust Shares and Trust Units) (''Bitcoin ETP Approval Order'').

[5] *See* Securities Exchange Act Release No. 103569 (July 29, 2025) (SR–CBOE–2025–017) (Self-Regulatory Organizations; Cboe Exchange, Inc.; Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 4, to Amend Rules 4.3, 4.20, and 8.30, to Allow the Exchange to List and Trade Options on the VanEck Bitcoin ETF) (''Cboe Approval'').

[6] *See* Exchange Rule 402(i), which permits options trading on exchange-traded funds that: (1) represent interests in registered investment companies (or series thereof) organized as open-end management investment companies, unit investment trusts or similar entities that hold portfolios of securities and/or financial instruments (''Funds''), including, but not limited to, stock index futures contracts, options on futures, options on securities and indices, equity caps, collars and floors, swap agreements, forward contracts, repurchase agreements and reverse repurchase agreements (the ''Financial Instruments''), and money market instruments, including, but not limited to, U.S. government securities and repurchase agreements (the ''Money Market Instruments'') comprising or otherwise based on or representing investments in broad-based indexes or portfolios of securities and/or Financial Instruments and Money Market Instruments (or that hold securities in one or more other registered investment companies that themselves hold such portfolios of securities and/or Financial Instruments and Money Market Instruments); (2) represent interests in a trust or similar entity that holds a specified non-U.S. currency or currencies deposited with the trust which when aggregated in some specified minimum number may be surrendered to the trust or similar entity by the beneficial owner to receive the specified non-U.S. currency or currencies and pays the beneficial owner interest and other distributions on the deposited non-U.S. currency or currencies, if any, declared and paid by the trust (''Currency Trust Shares''); (3) represent commodity pool interests principally engaged, directly or indirectly, in holding and/or managing portfolios or baskets of securities, commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or non-U.S. currency (''Commodity Pool ETFs''); (4) are issued by the SPDR® Gold Trust, the iShares COMEX Gold Trust, the iShares Silver Trust, the Aberdeen Standard Silver ETF Trust, the Aberdeen Standard Physical Gold Trust, the Aberdeen Standard Palladium ETF

specific trusts that hold financial instruments, money market instruments, precious metals (which are deemed commodities).

The Fund is a Bitcoin-backed commodity ETF structured as a trust. Similar to any ETF currently deemed appropriate for options trading under Exchange Rule 402(i)(4), the investment objective of the Fund is for its shares to reflect the performance of Bitcoin (less the expenses of the Fund's operations), offering investors an opportunity to gain exposure to Bitcoin without the complexities of Bitcoin delivery. As is the case for ETFs currently deemed appropriate for options trading, the Fund's shares represent units of fractional undivided beneficial interest in the trust, the assets of which consist principally of Bitcoin and are designed to track Bitcoin or the performance of the price of Bitcoin and offer access to the Bitcoin market.[7] The Fund provides investors with cost-efficient alternatives that allow a level of participation in the Bitcoin market through the securities market.

The Exchange believes the Fund satisfies the Exchange's initial listing standards for ETFs on which the Exchange may list options. Specifically, the Fund satisfies the initial listing standards set forth in Exchange Rule 402(a), as is the case for other ETFs on which the Exchange lists options (including trusts that hold commodities). Exchange Rule 402(i)(5)(i) requires that the ETFs must either (1) meet the criteria and standards set forth in Exchange Rule 402(a) or 402(b),[8] or (2) be available for creation or redemption each business day from or through the issuer in cash or in kind at a price related to net asset value, and the issuer must be obligated to issue ETFs in a specified aggregate number even if some or all of the investment assets required to be deposited have not been received by the issuer, subject to the condition that the person obligated to deposit the investments has undertaken to deliver the investment assets as soon as possible and such undertaking is secured by the delivery and maintenance of collateral consisting of cash or cash equivalents satisfactory to the issuer, as provided in the respective prospectus. The Fund satisfies Exchange Rule 402(i)(5)(i), as it is subject to this creation and redemption process.

While not required by the Rules for purposes of options listings, the Exchange believes the Fund satisfies the criteria and guidelines set forth Exchange Rule 402(b). Pursuant to Rule 402(a), a security (which includes an ETF) on which options may be listed and traded on the Exchange must be registered (with the Commission) and be an NMS stock (as defined in Rule 600 of Regulation NMS under the Act, and be characterized by a substantial number of outstanding shares that are widely held and actively traded.[9] The Fund is an NMS Stock as defined in Rule 600 of Regulation NMS under the Act.[10] The Exchange believes that the Fund is characterized by a substantial number of outstanding shares that are widely held and actively traded.

As of March 5, 2025, based on the data presented in the Cboe filing,[11] the Fund had the following number of shares outstanding:

Bitcoin fund	Shares outstanding
VanEck Bitcoin ETF	49,900,000

The Fund had significantly more than 7,000,000 shares outstanding (approximately 7 times that amount), which is the minimum number of shares of a corporate stock that the Exchange generally requires to list options on that stock pursuant to Exchange Rule 402(b)(1). The Exchange believes this demonstrates that the Fund is characterized by a substantial number of outstanding shares.

Further, the below table, as presented in Cboe's filing,[12] contains information regarding the number of beneficial holders of the Fund as of the specified dates:

Bitcoin fund	Beneficial holders	Date
VanEck Bitcoin ETF	32,469	1/31/25

As this table shows, the Fund has significantly more than 2,000 beneficial holders (approximately 16 times more), which is the minimum number of holders the Exchange generally requires for corporate stock in order to list options on that stock pursuant to Exchange Rule 402(b)(2). Therefore, the Exchange believes the shares of the Fund are widely held.

The Exchange also believes the shares of the Fund are actively traded. As of March 5, 2025, based on the data presented in Cboe's filing,[13] the total trading volume (by shares) for the trust for the six-month period of September 5, 2024, through March 5, 2025, and the approximate average daily volume (''ADV'') (in shares and notional) over the 30-day period of January 21, 2024, through March 5, 2025, for the Fund was as follows:

Bitcoin fund	6-Month trading volume (shares)	30-Day ADV (shares)	30-Day ADV (notional $)
VanEck Bitcoin ETF	133,275,448	794,677	39,163,513.72

Trust, the Aberdeen Standard Platinum ETF Trust, the Goldman Sachs Physical Gold ETF, the Sprott Physical Gold Trust, the iShares Bitcoin Trust, the Grayscale Bitcoin Trust, the Grayscale Bitcoin Mini Trust, the Bitwise Bitcoin ETF, the Fidelity Wise Origin Bitcoin Fund, the ARK 21Shares Bitcoin ETF, the Fidelity Ethereum Fund, the iShares Ethereum Trust, the Grayscale Ethereum Trust, the Grayscale Ethereum Mini Trust, or the Bitwise Ethereum ETF; or (5) represent an interest in a registered investment company (''Investment Company'') organized as an open-end management company or similar entity, that invests in a portfolio of securities selected by the Investment Company's investment adviser consistent with the Investment Company's investment objectives and policies, which is issued in a specified aggregate minimum number in return for a deposit of a specified portfolio of securities and/or a cash amount with a value equal to the next determined net asset value (''NAV''), and when aggregated in the same specified minimum number, may be redeemed at a holder's request, which holder will be paid a specified portfolio of securities and/or cash with a value equal to the next determined NAV (''Managed Fund Share''); provided that all of the conditions listed in (5)(i) and 5(ii) are met.

[7] The Trust may include minimal cash and cash equivalents (*i.e.,* short-term instruments with maturities of less than three months).

[8] Subparagraphs (a) and (b) of Exchange Rule 402 provide for guidelines to be used by the Exchange when evaluating potential underlying securities for Exchange option transactions.

[9] The criteria and guidelines for a security to be considered widely held and actively traded are set forth in Exchange Rule 402(b), subject to exceptions.

[10] An ''NMS stock'' means any NMS security other than an option, and an ''NMS security'' means any security or class of securities for which transaction reports are collected, processed, and made available pursuant to an effective transaction reporting plan (or an effective national market system plan for reporting transaction in listed options). *See* 17 CFR 242.600(b)(64) (definition of ''NMS security'') and (65) (definition of ''NMS stock'').

[11] *See supra* note 5.

[12] *Id.*

[13] *See supra* note 5.

As demonstrated above, as of March 5, 2025, based on the data presented in Cboe's filing,[14] the six-month trading volume for the Fund as of that date was substantially higher than 2,400,000 shares (approximately 55 times that amount), which is the minimum 12-month volume the Exchange generally requires for an underlying security in order to list options on that security as set forth in Exchange Rule 402(b)(4). The Exchange believes this data demonstrates the Fund is characterized as having shares that are actively traded.

Options on the Fund will be subject to the Exchange's continued listing standards set forth in Exchange Rule 403(g), for ETFs deemed appropriate for options trading pursuant to Exchange Rule 402(i). Specifically, Exchange Rule 403(g) provides that ETFs that were initially approved for options trading pursuant to Exchange Rule 402(i) shall be deemed not to meet the requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the class covering that such ETFs, if the ETFs cease to be an NMS stock or the ETFs, are delisted from trading pursuant to Exchange Rule 403(b)(4), are halted or suspended from trading in their primary market. Additionally, options on ETFs may be subject to the suspension of opening transactions in any of the following circumstances: (1) in the case of options covering ETFs approved for trading under Exchange Rule 402(i)(5)(i)(A), in accordance with the terms of paragraphs (b)(1), (2), and (3) of Exchange Rule 403; (2) in the case of options covering ETFs approved for trading under Exchange Rule 402(i)(5)(i)(B)(as is the case for the Fund), following the initial twelve-month period beginning upon the commencement of trading in the ETFs on a national securities exchange and are defined as an NMS stock, there are fewer than 50 record and/or beneficial holders of such ETFs for 30 or more consecutive trading days; (3) the value of the index or portfolio of securities, non-U.S. currency, or portfolio of commodities including commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or financial instruments and money market instruments on which the ETFs are based is no longer calculated or available; or (4) such other event shall occur or condition exist that in the opinion of the Exchange makes further dealing in such options on the Exchange inadvisable.

Options on the Fund will be physically settled contracts with American-style exercise.[15] Consistent with current Exchange Rule 404, which governs the opening of options series on a specific underlying security (including ETFs), the Exchange will open at least one expiration month for options on the Fund [16] at the commencement of trading on the Exchange and may also list series of options on the Fund for trading on a weekly,[17] monthly,[18] or quarterly [19] basis. The Exchange may also list long-term equity option series (''LEAPS'') that expire from 12 to 39 months from the time they are listed.[20]

Pursuant to Exchange Rule 404, Interpretation and Policy .06, which governs strike prices of series of options on ETFs, the interval between strike prices of series of options on ETFs approved for options trading pursuant to Exchange Rule 402(i) shall be fixed at a price per share which is reasonably close to the price per share at which the underlying security is traded in the primary market at or about the same time such series of options is first open for trading on the Exchange, or at such intervals as may have been established on another options exchange prior to the initiation of trading on the Exchange. With respect to the Short Term Options Series or Weekly Program, during the month prior to expiration of an option class that is selected for the Short Term Option Series Program, the strike price intervals for the related non-Short Term Option (''Related non-Short Term Option'') shall be the same as the strike price intervals for the Short Term Option.[21] Specifically, the Exchange may open for trading Short Term Option Series at strike price intervals of (i) $0.50 or greater where the strike price is less than $100, and $1 or greater where the strike price is between $100 and $150 for all option classes that participate in the Short Term Options Series Program; (ii) $0.50 for option classes that trade in one dollar increments and are in the Short Term Option Series Program; or (iii) $2.50 or greater where the strike price is above $150.[22] Additionally, the Exchange may list series of options pursuant to the $1 Strike Price Interval Program,[23] the $0.50 Strike Program,[24] and the $2.50 Strike Price Program.[25] Pursuant to Exchange Rule 510, where the price of a series of options for a Bitcoin Fund is less than $3.00, the minimum increment will be $0.05, and where the price is $3.00 or higher, the minimum increment will be $0.10 [26] consistent with the minimum increments for options on other ETFs listed on the Exchange. Any and all new series of Fund options that the Exchange lists will be consistent and comply with the expirations, strike prices, and minimum increments set forth in Rules 404 and 510, as applicable.

Fund options will trade in the same manner as any other ETF options on the Exchange. The Exchange Rules that currently apply to the listing and trading of all ETFs options on the Exchange, including, for example, Exchange Rules that govern listing criteria, expirations, exercise prices, minimum increments, margin requirements, customer accounts and trading halt procedures will apply to the listing and trading of the Fund options on the Exchange in the same manner as they apply to other options on all other ETFs that are listed and traded on the Exchange, including the precious-metal backed commodity ETFs already deemed appropriate for options trading

[14] *Id.*

[15] *See* Exchange Rule 401, which provides that the rights and obligations of holders and writers are set forth in the Rules of the Options Clearing Corporation (''OCC''); *see also* OCC Rules, Chapters VIII (which governs exercise and assignment) and Chapter IX (which governs the discharge of delivery and payment obligations arising out of the exercise of physically settled stock option contracts).

[16] *See* Exchange Rule 404(b). The monthly expirations are subject to certain listing criteria for underlying securities described within Exchange Rule 404 and its Interpretations and Policies. Monthly listings expire the third Friday of the month. The term ''expiration date'' (unless separately defined elsewhere in the OCC By-Laws), when used in respect of an option contract (subject to certain exceptions), means the third Friday of the expiration month of such option contract, or if such Friday is a day on which the exchange on which such option is listed is not open for business, the preceding day on which such exchange is open for business. *See* OCC By-Laws Article I, Section 1. Pursuant to Exchange Rule 404(c), additional series of options of the same class may be opened for trading on the Exchange when the Exchange deems it necessary to maintain an orderly market, to meet customer demand or when the market price of the underlying stock moves more than five strike prices from the initial exercise price or prices. Pursuant to Exchange Rule 404(e), new series of options on an individual stock may be added until the beginning of the month in which the options contract will expire. Due to unusual market conditions, the Exchange, in its discretion, may add a new series of options on an individual stock until the close of trading on the business day prior to expiration.

[17] *See* Exchange Rule 404, Interpretation and Policy .02.

[18] *See* Exchange Rule 404, Interpretation and Policy .13.

[19] *See* Exchange Rule 404, Interpretation and Policy .03.

[20] *See* Exchange Rule 406.

[21] *See* Exchange Rule 404, Interpretation and Policy .02(e).

[22] *Id.*

[23] *See* Exchange Rule 404, Interpretation and Policy .01.

[24] *See* Exchange Rule 404, Interpretation and Policy .04.

[25] *See* Exchange Rule 404(f).

[26] *See* Exchange Rule 510.

on the Exchange pursuant to current Exchange Rule 402(i)(4).

The Exchange also proposes to amend Exchange Rules 307 and 309. Specifically, the Exchange proposes to amend Interpretation and Policy .01 to Exchange Rule 307 to provide a position limit of 25,000 same side option contracts for Fund option. Additionally, pursuant to the proposed change to Interpretation and Policy .01 to Exchange Rule 309, the exercise limits for options on the Fund will be equivalent to this proposed position limit.

In considering the appropriate position and exercise limits for the Fund options, the Exchange reviewed the data presented by Cboe in its proposal. The Exchange determined these proposed position and exercise limits considering, among other things, the approximate six-month ADV and outstanding shares of the Fund (which as discussed above demonstrate that the Fund is widely held and actively traded and thus justify these conservatively proposed position limits), based on the data presented in the Cboe filing,[27] along with market capitalization (as of March 5, 2025):

Underlying bitcoin fund	Six-month ADV (shares)	Outstanding shares	Market capitalization ($)
VanEck Bitcoin ETF	1,074,802	49,900,000	1,271,859,416

The Exchange then compared the number of outstanding shares of the Fund to those of other ETFs. The following table, as presented in the Cboe filing,[28] provides the approximate average position (and exercise limit) of ETF options with similar outstanding shares (as of March 5, 2025), compared to the proposed position and exercise limit for the Fund options:

Underlying bitcoin fund	Average limit of other ETF options (contracts)	Proposed limit (contracts)
VanEck Bitcoin ETF	[29] 225,000	25,000

The Exhange considered current position and exercise limits of options on ETFs with outstanding shares comparable to those of the Fund, with the proposed limit significantly lower (between two and ten times lower) than the average limits of the options on the other ETFs. As discussed above, the Fund is actively held and widely traded (all statistics as of March 5, 2025) because it: (1) had significantly more than 7,000,000 shares outstanding, which is the minimum number of shares of a corporate stock that the Exchange generally requires to list options on that stock pursuant to Exchange Rule 402(b)(1); (2) had significantly more than 2,000 beneficial holders, which is the minimum number of holders the Exchange generally requires for corporate stock in order to list options on that stock pursuant to Exchange Rule 402(b)(2); and (3) had a six-month trading volume substantially higher than 2,400,000 shares, which is the minimum 12-month volume the Exchange generally requires for a security in order to list options on that security as set forth in Exchange Rule 402(b)(4).

With respect to outstanding shares, if a market participant held the maximum number of positions possible pursuant to the proposed position and exercise limits, the equivalent shares represented by the proposed position/exercise limit would represent the following approximate percentage of current outstanding shares:

Underlying bitcoin fund	Proposed position/exercise limit (in equivalent shares)	Outstanding shares	Percentage of outstanding shares
VanEck Bitcoin ETF	2,500,000	49,900,000	5.01

This table, as presented in Cboe's filing,[30] demonstrates, if a market participant held the maximum permissible options positions in Fund options and exercised all of them at the same time, that market participant would control a small percentage of the outstanding shares of the Fund.

Exchange Rule 307(d) provides two methods of qualifying for a position limit tier above 25,000 option contracts. The first method is based on six-month trading volume in the underlying security, and the second method is based on slightly lower six-month trading volume and number of shares outstanding in the underlying security. An underlying stock or ETF that qualifies for method two based on trading volume and number of shares outstanding would be required to have the minimum number of outstanding shares as shown in middle column of the table below.

The table, as presented in Cboe's filing,[31] provides the equivalent shares of the position limits applicable to equity options, including ETFs, further represents the percentages of the minimum number of outstanding shares that an underlying stock or ETF must have to qualify for that position limit (under the second method described above), all of which are higher than the percentages for the Fund.

[27] *See supra* note 5.

[28] *Id.*

[29] Over 90% of the ETFs used for comparison have a limit of at least 200,000, and more than 75% have a limit of 250,000.

[30] *See supra* note 5.

[31] *See supra* note 5.

Position/exercise limit (in equivalent shares)	Minimum outstanding shares	Percentage of outstanding shares
2,500,000	[32] 6,300,000	40.0
5,000,000	40,000,000	12.5
7,500,000	120,000,000	6.3
20,000,000	240,000,000	8.3
25,000,000	300,000,000	8.3

The equivalent shares represented by the proposed position and exercise limits for the Fund as a percentage of outstanding shares of the Fund is significantly lower than the percentage for the lowest possible position limit for equity options of 25,000 (under 6% compared to 40%) and is lower than that percentage for each current position limit bucket.[33]

Further, the proposed position and exercise limits for the Fund option are significantly below the limits that would otherwise apply pursuant to current Exchange Rule 307. These position and exercise limits are the lowest position and exercise limits available in the options industry, are extremely conservative and more than appropriate given the market capitalization, average daily volume, and high number of outstanding shares of the Fund.

All of the above information demonstrates that the proposed position and exercise limits for the Fund options are more than reasonable and appropriate. The trading volume, ADV, and outstanding shares of the Fund demonstrate that the Fund is actively traded and widely held, and proposed position and exercise limits are well below those of other ETFs with similar market characteristics. The proposed position and exercise limits are the lowest position and exercise limits available for equity options in the industry, are extremely conservative, and are more than appropriate given the Fund's market capitalization, ADV, and high number of outstanding shares.

Today, the Exchange has an adequate surveillance program in place for options. The Exchange intends to apply those same program procedures to options on the Fund that it applies to the Exchange's other options products.[34] The Exchange's market surveillance staff would have access to the surveillances conducted by its affiliate exchanges, MIAX Pearl and MIAX Sapphire, with respect to the Fund and would review activity in the underlying Fund when conducting surveillances for market abuse or manipulation in the options on the Fund. Additionally, the Exchange is a member of the Intermarket Surveillance Group (''ISG'') under the ISG Agreement. ISG members work together to coordinate surveillance and investigative information sharing in the stock, options, and futures markets. In addition to obtaining information from the Exchange's affiliates, the Exchange would be able to obtain information regarding trading of shares of the Fund from Cboe and other markets through ISG.

In addition, the Exchange has a Regulatory Services Agreement with the Financial Industry Regulatory Authority (''FINRA'') for certain market surveillance, investigation and examinations functions. Pursuant to a multi-party 17d–2 joint plan, all options exchanges allocate amongst themselves and FINRA responsibilities to conduct certain options-related market surveillance that are common to rules of all options exchanges.[35]

The underlying shares of spot bitcoin exchange-traded products (''ETPs''), including the Fund, are also subject to safeguards related to addressing market abuse and manipulation. As the Commission stated in its order approving proposals of several exchanges to list and trade shares of spot bitcoin-based ETPs:

> Each Exchange has a comprehensive surveillance-sharing agreement with the CME via their common membership in the Intermarket Surveillance Group. This facilitates the sharing of information that is available to the CME through its surveillance of its markets, including its surveillance of the CME bitcoin futures market.[36]

The Exchange states that, given the consistently high correlation between the CME Bitcoin futures market and the spot bitcoin market, as confirmed by the Commission through robust correlation analysis, the Commission was able to conclude that such surveillance sharing agreements could reasonably be ''expected to assist in surveilling for fraudulent and manipulative acts and practices in the specific context of the [Bitcoin ETPs].'' [37]

In light of surveillance measures related to both options and futures as well as the Fund,[38] the Exchange believes that existing surveillance procedures are designed to deter and detect possible manipulative behavior which might potentially arise from listing and trading the proposed options on the Fund. Further, the Exchange will implement any new surveillance procedures it deems necessary to effectively monitor the trading of options on the Fund.

The Exchange has also analyzed its capacity and represents that it believes the Exchange and Options Price Reporting Authority (''OPRA'') have the necessary systems capacity to handle the additional traffic associated with the listing of new series that may result

[32] This is the minimum number of outstanding shares an underlying security must have for the Exchange to continue to list options on that security, so this would be the smallest number of outstanding shares permissible for any corporate option that would have a position limit of 25,000 contract. *See* Exchange Rule 403(b)(1). This rule applies to corporate stock options but not ETF options, which currently have no requirement regarding outstanding shares of the underlying ETF for the Exchange to continue listing options on that ETF. Therefore, there may be ETF options trading for which the 25,000 contract position limits represents an even larger percentage of outstanding shares of the underlying ETF than set forth above.

[33] As these percentages are based on the minimum number of outstanding shares an underlying security must have to qualify for the applicable position limit, these are the highest possible percentages that would apply to any option subject to that position and exercise limit.

[34] The surveillance program includes surveillance patterns for price and volume movements as well as patterns for potential manipulation (*e.g.,* spoofing and marking the close).

[35] Section 19(g)(1) of the Act, among other things, requires every self-regulatory organization (''SRO'') registered as a national securities exchange or national securities association to comply with the Act, the rules and regulations thereunder, and the SRO's own rules, and, absent reasonable justification or excuse, enforce compliance by its members and persons associated with its members. *See* 15 U.S.C. 78q(d)(1) and 17 CFR 240.17d–2. Section 17(d)(1) of the Act allows the Commission to relieve an SRO of certain responsibilities with respect to members of the SRO who are also members of another SRO (''common members''). Specifically, Section 17(d)(1) allows the Commission to relieve an SRO of its responsibilities to: (i) receive regulatory reports from such members; (ii) examine such members for compliance with the Act and the rules and regulations thereunder, and the rules of the SRO; or (iii) carry out other specified regulatory responsibilities with respect to such members.

[36] *See* Bitcoin ETP Approval Order, 89 FR at 3009.

[37] *See* Bitcoin ETP Approval Order, 89 FR at 3010–11.

[38] *See supra* note 4.

from the introduction of options on Fund up to the number of expirations currently permissible under the Rules. The Exchange believes any additional traffic that may be generated from the introduction of the Fund options will be manageable.

The Exchange believes that offering options on the Fund will benefit investors by providing them with an additional, relatively lower cost investing tool to gain exposure to the price of Bitcoin and hedging vehicle to meet their investment needs in connection with Bitcoin-related products and positions. The Exchange expects investors will transact in options on the Fund in the unregulated over-the-counter (''OTC'') options market,[39] but may prefer to trade such options in a listed environment to receive the benefits of trading listing options, including (1) enhanced efficiency in initiating and closing out positions; (2) increased market transparency; and (3) heightened contra-party creditworthiness due to the role of OCC as issuer and guarantor of all listed options. The Exchange believes that listing the Fund options may cause investors to bring this liquidity to the Exchange, would increase market transparency and enhance the process of price discovery conducted on the Exchange through increased order flow. The ETFs that hold financial instruments, money market instruments, or precious metal commodities on which the Exchange may already list and trade options are trusts structured in substantially the same manner as the Fund and essentially offer the same objectives and benefits to investors, just with respect to different assets. The Exchange notes that it has not identified any issues with the continued listing and trading of any options on ETFs, including ETFs that hold commodities (*i.e.,* precious metals) that it currently lists and trades on the Exchange.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.[40] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[41] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[42] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange believes that the proposal to list and trade options on the Fund will remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, protect investors because offering options on the Fund will provide investors with a greater opportunity to realize the benefits of utilizing options on the Fund, including cost efficiencies and increased hedging strategies. The Exchange believes that offering options on the Fund will benefit investors by providing them with a relatively lower-cost risk management tool, which will allow them to manage their positions and associated risks in their portfolios more easily in connection with to the price of Bitcoin and with Bitcoin-related products and positions. Additionally, the Exchange's offering of Fund options will provide investors with the ability to transact in such options in a listed market environment as opposed to in the unregulated OTC options market, which would increase market transparency and enhance the process of price discovery conducted on the Exchange through increased order flow to the benefit of all investors. The Exchange also notes that it already lists options on other commodity-based ETFs,[43] which, as described above, are trusts structured in substantially the same manner as the Fund and essentially offer the same objectives and benefits to investors, and for which the Exchange has not identified any issues with the continued listing and trading of commodity-based ETF options it currently lists for trading.[44]

The Exchange also believes the proposal to permit options on the Fund will remove impediments to and perfect the mechanism of a free and open market and a national market system, because it is consistent with current Exchange rules previously filed with the Commission.[45] Options on the Fund satisfy the initial listing standards and continued listing standards currently in the Exchange Rules applicable to options on all ETFs, including ETFs that hold other commodities already deemed appropriate for options trading on the Exchange. Additionally, as demonstrated above, the Fund is characterized by a substantial number of shares that are widely held and actively traded. Further, the Fund options will trade in the same manner as any other options on ETFs—the same Exchange Rules that currently govern the listing and trading of options on ETFs, including permissible expirations, strike prices and minimum increments, and applicable margin requirements, will govern the listing and trading of options on the Fund in the same manner.

The Exchange believes the proposed position and exercise limits are designed to prevent fraudulent and manipulative acts and practices and promote just and equitable principles of trade, as they are designed to address potential manipulative schemes and adverse market impacts surrounding the use of options, such as disrupting the market in the security underlying the options. The proposed position and exercise limits for options for the Fund is 25,000 contracts, which is currently the lowest limit applicable to any equity options (including ETF options). The Exchange believes the proposed position and exercise limits are extremely conservative for the Fund option given the trading volume and outstanding shares for each. The information above demonstrates that the average position and exercise limits of options on ETFs with comparable outstanding shares and trading volume to those of the Fund is significantly higher than the proposed position and exercise limits for the Fund options. Therefore, the proposed position and exercise limits for the Fund options are conservative relative to options on ETFs with comparable market characteristics.

Further, given that the issuer of the Fund may create and redeem shares that represent an interest in Bitcoin, the Exchange believes it is relevant to

[39] The Exchange understands from customers that investors have historically transacted in options on ETFs in the OTC options market if such options were not available for trading in a listed environment.

[40] 15 U.S.C. 78f(b).

[41] 15 U.S.C. 78f(b)(5).

[42] *Id.*

[43] *See* Exchange Rule 402(i)(4).

[44] *See* Securities Exchange Act No. 101717 (November 22, 2024) 89 FR 94828 (November 29, 2024) (SR–MIAX–2024–43) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 402, Criteria for Underlying Securities, Exchange Rule 307, Position Limits, and Exchange Rule 309, Exercise Limits To Allow the Exchange To List and Trade Options on the Fidelity Wise Origin Bitcoin Fund (the ''Fidelity Fund'') and the ARK 21Shares Bitcoin ETF (the ''ARK 21 Fund'')).

[45] *See Id.*

compare the size of a position limit to the market capitalization of the Bitcoin market. As of March 5, 2025, the global supply of Bitcoin was 19,832,309, and the price of one Bitcoin was approximately $90,608.57,[46] which equates to a market capitalization of approximately $1.797 trillion. Consider the proposed position and exercise limit of 25,000 option contracts for the Fund options. A position and exercise limit of 25,000 same side contracts effectively restricts a market participant from holding positions that could result in the receipt of no more than 2,500,000 of the Fund shares, as applicable (if that market participant exercised all of its options). The following table, as presented in Cboe's filing,[47] shows the share price of the Fund on March 5, 2025, the value of 2,500,000 shares of the Fund at that price, and the approximate percentage of that value of the size of the Bitcoin market:

Bitcoin fund	March 5, 2025 share price ($)	Value of 2,500,000 shares of bitcoin fund ($)	Percentage of bitcoin market
VanEck Bitcoin ETF	25.60	64,000,000	0.0035%

Therefore, if a market participant with the maximum 25,000 same side contracts in Fund options exercised all positions at one time, such an event would have no practical impact on the Bitcoin market.

The Exchange also believes the proposed limits are appropriate given position limits for Bitcoin futures. For example, the Chicago Mercantile Exchange (''CME'') imposes a position limit of 2,000 futures (for the initial spot month) on its Bitcoin futures contract.[48] On March 5, 2025, CME Mar 25 Bitcoin Futures settled at $90,935. A position of 2,000 CME Bitcoin futures, therefore, would have a notional value of $909,350,000. The following table, as presented in the Cboe's filing,[49] shows the share price of the Fund on March 5, 2025, and the approximate number of option contracts that equates to that notional value:

Bitcoin fund	March 5, 2025 share price ($)	Number of option contracts
VanEck Bitcoin ETF	25.60	355,214

The approximate number of option contracts for the Fund that equate to the notional value of CME Bitcoin futures is significantly higher than the proposed limit of 25,000 options contract for the Fund option. The fact that many options ultimately expire out-of-the-money and thus are not exercised for shares of the underlying, while the delta of a Bitcoin Future is 1, further demonstrates how conservative the proposed limits of 25,000 options contracts are for the Fund options.

The Exchange notes, unlike options contracts, CME position limits are calculated on a net futures-equivalent basis by contract and include contracts that aggregate into one or more base contracts according to an aggregation ratio(s).[50] Therefore, if a portfolio includes positions in options on futures, CME would aggregate those positions into the underlying futures contracts in accordance with a table published by CME on a delta equivalent value for the relevant spot month, subsequent spot month, single month and all month position limits.[51] If a position exceeds position limits because of an option assignment, CME permits market participants to liquidate the excess position within one business day without being considered in violation of its rules. Additionally, if at the close of trading, a position that includes options exceeds position limits for futures contracts, when evaluated using the delta factors as of that day's close of trading but does not exceed the limits when evaluated using the previous day's delta factors, then the position shall not constitute a position limit violation. Considering CME's position limits on futures for Bitcoin, the Exchange believes that that the proposed same side position limits are more than appropriate for the Fund options.

The Exchange believes the proposed position and exercise limits in this proposal will have no material impact to the supply of Bitcoin. For example, consider again the proposed position limit of 25,000 option contracts for the Fund options. As noted above, a position limit of 25,000 same side contracts effectively restricts a market participant from holding positions that could result in the receipt of no more than 2,500,000 shares of the applicable Fund (if that market participant exercised all its options). As of March 5, 2025, the Fund had the number of shares outstanding set forth in the table below. The table below, as presented in the Cboe's filing,[52] also sets forth the approximate number of market participants that could hold the maximum of 25,000 same side positions in the Fund that would equate to the number of shares outstanding of the Fund:

Bitcoin fund	Shares outstanding	Number of market participants with 25,000 same sidepositions
VanEck Bitcoin ETF	49,900,000	20

[46] *See Blockchain.com | Charts—Total Circulating Bitcoin.*

[47] *See supra* note 5.

[48] *See* CME Rulebook Chapter 350 (description of CME Bitcoin Futures) and Chapter 5, Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices. Each CME Bitcoin futures contract is valued at five Bitcoins as defined by the CME CF Bitcoin Reference Rate (''BRR''). *See* CME Rule 35001.

[49] *See supra* note 5.

[50] *See* CME Rulebook Chapter 5, Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices. Each CME Bitcoin futures contract is valued at five Bitcoins as defined by the CME CF Bitcoin Reference Rate (''BRR''). *See* CME Rule 35001.

[51] *Id.*

[52] *See supra* note 5.

This means if 20 market participants had 25,000 same side positions in Fund options, each of them would have to simultaneously exercise all of those options to create a scenario that may put the underlying security under stress. The Exchange believes it is highly unlikely for either such event to occur; however, even if either such event did occur, the Exchange would not expect the Fund to be under stress because such an event would merely induce the creation of more shares through the trust's creation and redemption process.

As of March 5, 2025, the global supply of Bitcoin was approximately 19,832,309.[53] Based on the $25.60 price of Fund share on March 5, 2025, a market participant could have redeemed one Bitcoin for approximately 3,539 Fund shares. Another 70,194,417,201 Fund shares could be created before the supply of Bitcoin was exhausted. As a result, 28,078 market participants would have to simultaneously exercise 25,000 same side positions in Fund options to receive shares of the Fund holding the entire global supply of Bitcoin. Unlike the Fund, the number of shares that corporations may issue is limited. However, like corporations, which authorize additional shares, repurchase shares, or split their shares, the Fund may create, redeem, or split shares in response to demand. While the supply of Bitcoin is limited to 21,000,000, it is believed that it will take more than 100 years to fully mine the remaining Bitcoin. The supply of Bitcoin is larger than the available supply of most securities.[54] Given the significant unlikelihood of any of these events ever occurring, the Exchange does not believe options on the Fund should be subject to position and exercise limits even lower than those proposed (which are already equal to the lowest available limit for equity options in the industry) to protect the supply of Bitcoin.[55]

The Exchange believes the available supply of Bitcoin is not relevant to the determination of position and exercise limits for options overlying the Fund. Position and exercise limits are not a tool that should be used to address a potential limited supply of the underlying of an underlying. Position and exercise limits do not limit the total number of options that may be held, but rather they limit the number of positions a single customer may hold or exercise at one time.[56] ''Since the inception of standardized options trading, the options exchanges have had rules imposing limits on the aggregate number of options contracts that a member or customer could hold or exercise.'' [57] Position and exercise limit rules are intended ''to prevent the establishment of options positions that can be used or might create incentives to manipulate or disrupt the underlying market so as to benefit the options position. In particular, position and exercise limits are designed 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.'' [58]

The Exchange notes that a Registration Statement on Form S–1 was filed with the Commission for the Fund, each of which described the supply of Bitcoin as being limited to 21,000,000 (of which approximately 90% had already been mined), and that the limit would be reached around the year 2140.[59] The Registration Statement permits an unlimited number of shares of the applicable the Fund to be created. Further, the Commission approved proposed rule changes that permitted the listing and trading of shares of the Fund, which approval did not comment on the sufficient supply of Bitcoin or address whether there was a risk that permitting an unlimited number of shares for the Fund would impact the supply of Bitcoin.[60] Therefore, the Exchange believes the Commission had ample time and opportunity to consider whether the supply of Bitcoin was sufficient to permit the creation of unlimited the Fund shares, and does not believe considering this supply with respect to the establishment of position and exercise limits is appropriate given its lack of relevance to the purpose of position and exercise limits. However, given the significant size of the Bitcoin supply, the proposed positions limits are more than sufficient to protect investors and the market.

Based on the above information demonstrating, among other things, that the Fund is characterized by a substantial number of outstanding shares that are actively traded and widely held, the Exchange believes the proposed position and exercise limits are extremely conservative compared to those of ETF options with similar market characteristics. The proposed position and exercise limits reasonably and appropriately balance the liquidity provisioning in the market against the prevention of manipulation. The Exchange believes these proposed limits are effectively designed to prevent an individual customer or entity from establishing options positions that could be used to manipulate the market of the underlying as well as the Bitcoin market.[61]

The Exchange represents that it has the necessary systems capacity to support the Fund options. As discussed above, the Exchange believes that its existing surveillance and reporting safeguards are designed to deter and detect possible manipulative behavior which might arise from listing and trading options on ETFs, including the Fund options.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. In this regard and as indicated above, the Exchange notes that the rule change is being proposed as a competitive response to the filing submitted by Cboe.[62]

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act as the Fund will be equally available to all market participants who wish to trade such options and will trade generally in the same manner as other options. The Exchange Rules that currently apply to the listing and trading of all options on ETFs on the

[53] *See Blockchain.com | Charts—Total Circulating Bitcoin* (which also shows the price of one Bitcoin equal to $90,608.57).

[54] The market capitalization of Bitcoin would rank in the top 10 among securities. *See https://companiesmarketcap.com/usa/largest-companies-in-the-usa-by-market-cap/.*

[55] This would be even more unlikely with respect to the Trust for which the Exchange proposes lower position limits.

[56] For example, suppose an option has a position limit of 25,000 option contracts and there are a total of 10 investors trading that option. If all 10 investors max out their positions, that would result in 250,000 option contracts outstanding at that time. However, suppose 10 more investors decide to begin trading that option and also max out their positions. This would result in 500,000 option contracts outstanding at that time. An increase in the number of investors could cause an increase in outstanding options even if position limits remain unchanged.

[57] *See* Securities Exchange Act Release No. 39489 (December 24, 1997), 63 FR 276 (January 5, 1998) (SR–CBOE–1997–11).

[58] *Id.*

[59] *See* Amendment No. 8 to Form S–1 Registration Statement No. 333–251808, filed January 9, 2024.

[60] *See* Bitcoin ETP Approval Order.

[61] *See* Securities Exchange Act Release No. 39489 (December 24, 1997), 63 FR 276 (January 5, 1998) (SR–CBOE–1997–11).

[62] *See supra* note 5.

Exchange, including, for example, Rules that govern listing criteria, expirations, exercise prices, minimum increments, margin requirements, customer accounts, and trading halt procedures will apply to the listing and trading of the Fund options on the Exchange in the same manner as they apply to other options on all other ETFs that are listed and traded on the Exchange. Also, and as stated above, the Exchange already lists options on other commodity-based securities.[63] Further, the Fund would need to satisfy the maintenance listing standards set forth in the Exchange Rules in the same manner as any other ETFs for the Exchange to continue listing options on them.

The Exchange does not believe that the proposal to list and trade options on the Fund will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the extent that the advent of the Fund options trading on the Exchange may make the Exchange a more attractive marketplace to market participants at other exchanges, such market participants are free to elect to become market participants on the Exchange. Additionally, other options exchanges are free to amend their listing rules, as applicable, to permit them to list and trade options on the Fund. The Exchange notes that listing and trading the Fund options on the Exchange will subject such options to transparent exchange-based rules as well as price discovery and liquidity, as opposed to alternatively trading such options in the OTC market.

The Exchange believes that the proposed rule change may relieve any burden on, or otherwise promote, competition, as it is designed to increase competition for order flow on the Exchange in a manner that is beneficial to investors by providing them with a lower-cost option to hedge their investment portfolios. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues that offer similar products. Ultimately, the Exchange believes that offering the Fund options for trading on the Exchange will promote competition by providing investors with an additional, relatively low-cost means to hedge their portfolios and meet their investment needs in connection with Bitcoin prices and Bitcoin-related products and positions on a listed options exchange.

[63] *See* Exchange Rule 402(i)(4).

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[64] and Rule 19b–4(f)(6) thereunder.[65] Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act[66] and subparagraph (f)(6) of Rule 19b–4 thereunder.[67]

A proposed rule change filed under Rule 19b–4(f)(6)[68] under the Act does not normally become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[69] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission previously approved the listing and trading of options on the VanEck Bitcoin Trust.[70] The Exchange has provided information regarding the underlying Fund, including, among other things, information regarding trading volume, the number of beneficial holders, and the average daily trading volume of the Fund. The proposal also establishes position and exercise limits for options on the Fund and provides information regarding the surveillance procedures that will apply to Fund options. The Commission believes that waiver of the operative delay could benefit investors by providing an additional venue for trading Fund options. Therefore, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposed rule change as operative upon filing.[71]

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–MIAX–2025–36 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–MIAX–2025–36. 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 filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions;

[64] 15 U.S.C. 78s(b)(3)(A)(iii).

[65] 17 CFR 240.19b–4(f)(6).

[66] 15 U.S.C. 78s(b)(3)(A)(iii).

[67] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change 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 the pre-filing requirement.

[68] 17 CFR 240.19b–4(f)(6).

[69] 17 CFR 240.19b–4(f)(6)(iii).

[70] *See* Securities Exchange Act Release No. 103569 (July 29, 2025) (Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 4, to Amend Rules 4.3, 4.20, and 8.30, to Allow the Exchange to List and Trade Options on the VanEck Bitcoin ETF) (SR–CBOE–2025–017).

[71] For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

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–2025–36 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[72]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–14766 Filed 8–4–25; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103605; File No. SR–NYSE–2025–26]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.37 To Specify the Exchange's Source of Data Feeds

July 31, 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 July 25, 2025, New York Stock Exchange LLC (''NYSE'' or the ''Exchange'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I, II, and III 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 amend Rule 7.37 to specify the Exchange's source of data feeds from 24X National Exchange (''24X'') for purposes of order handling, order execution, order routing, and regulatory compliance. The proposed rule change is available on the Exchange's website at *www.nyse.com* and at the principal office of the Exchange.

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 Exchange proposes to update and amend the use of data feeds table in Rule 7.37(e), which sets forth on a market-by-market basis the specific securities information processor (''SIP'') and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks related to each of those functions. Specifically, in light of the fact that 24X National Exchange (''24X'') has announced that it will launch operations on September 29, 2025,[3] the Exchange proposes to amend the table in Rule 7.37(e) to specify that the Exchange will receive a 24X direct feed as its primary source of data for order handling, order execution, order routing, and regulatory compliance, and will use the SIP Data Feed as its secondary source for data from 24X.

The Exchange proposes to make this change operative on the date that 24X launches operations.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,[4] in general, and furthers the objectives of Section 6(b)(5),[5] in particular, because 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 facilitating transactions in securities, to remove impediments to, and perfect the mechanism of, a free and open market and a national market system and, in general, to protect investors and the public interest. Additionally, the Exchange believes that the proposed rule change is consistent with the Section 6(b)(5) requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes its proposal to add 24X to the table in Rule 7.37(e) will ensure that the Rule correctly identifies and publicly states on a market-by-market basis all of the specific SIP and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks for each of those functions. The proposed rule change also removes impediments to and perfects the mechanism of a free and open market and protects investors and the public interest by providing additional specificity, clarity, and transparency in the Exchange's rules.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Rather, the Exchange believes that the proposal will enhance competition because providing the public and market participants with up-to-date information about the data feeds the Exchange will use for the handling, execution, and routing of orders, as well as for regulatory compliance would enhance transparency and enable investors to better assess the quality of the Exchange's execution and routing services. In addition, the proposed rule change would not impact competition between market participants because it will affect all market participants equally.

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[6] and Rule 19b–4(f)(6) thereunder.[7] Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii)

[72] 17 CFR 200.30–3(a)(12), (59).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* 24X press release at *https://24exchange.com/trading-on-24x-national-exchange-set-to-commence-in-september/.*

[4] 15 U.S.C. 78f(b).

[5] 15 U.S.C. 78f(b)(5).

[6] 15 U.S.C. 78s(b)(3)(A)(iii).

[7] 17 CFR 240.19b–4(f)(6).

impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b–4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b–4(f)(6)[8] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[9] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest.

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)[10] 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–NYSE–2025–26 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–NYSE–2025–26. 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 filing 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–NYSE–2025–26 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[11]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–14756 Filed 8–4–25; 8:45 am]

BILLING CODE 8011–01–P

[8] 17 CFR 240.19b–4(f)(6).

[9] 17 CFR 240.19b–4(f)(6)(iii).

[10] 15 U.S.C. 78s(b)(2)(B).

[11] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103608; File No. SR–NYSENAT–2025–16]

Self-Regulatory Organizations; NYSE National, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.37 To Specify the Exchange's Source of Data Feeds

July 31, 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 July 25, 2025, NYSE National, Inc. (''NYSE National'' or the ''Exchange'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I, II, and III 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 amend Rule 7.37 to specify the Exchange's source of data feeds from 24X National Exchange (''24X'') for purposes of order handling, order execution, order routing, and regulatory compliance. The proposed rule change is available on the Exchange's website at *www.nyse.com* and at the principal office of the Exchange.

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 Exchange proposes to update and amend the use of data feeds table in Rule 7.37(d), which sets forth on a market-by-market basis the specific securities information processor (''SIP'') and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks related to each of those functions. Specifically, in light of the fact that 24X National Exchange (''24X'') has announced that it will launch operations on September 29, 2025,[3] the Exchange proposes to amend the table in Rule 7.37(d) to specify that the Exchange will receive a 24X direct feed as its primary source of data for order handling, order execution, order routing, and regulatory compliance, and will use the SIP Data Feed as its secondary source for data from 24X.

The Exchange proposes to make this change operative on the date that 24X launches operations.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,[4] in general, and furthers the objectives of Section 6(b)(5),[5] in particular, because 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 facilitating transactions in securities, to remove impediments to, and perfect the

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* 24X press release at *https://24exchange.com/trading-on-24x-national-exchange-set-to-commence-in-september/.*

[4] 15 U.S.C. 78f(b).

[5] 15 U.S.C. 78f(b)(5).

mechanism of, a free and open market and a national market system and, in general, to protect investors and the public interest. Additionally, the Exchange believes that the proposed rule change is consistent with the Section 6(b)(5) requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes its proposal to add 24X to the table in Rule 7.37(d) will ensure that the Rule correctly identifies and publicly states on a market-by-market basis all of the specific SIP and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks for each of those functions. The proposed rule change also removes impediments to and perfects the mechanism of a free and open market and protects investors and the public interest by providing additional specificity, clarity, and transparency in the Exchange's rules.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Rather, the Exchange believes that the proposal will enhance competition because providing the public and market participants with up-to-date information about the data feeds the Exchange will use for the handling, execution, and routing of orders, as well as for regulatory compliance would enhance transparency and enable investors to better assess the quality of the Exchange's execution and routing services. In addition, the proposed rule change would not impact competition between market participants because it will affect all market participants equally.

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[6] and Rule 19b–4(f)(6) thereunder.[7] Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b–4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b–4(f)(6)[8] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[9] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest.

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)[10] 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–NYSENAT–2025–16 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–NYSENAT–2025–16. 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 filing 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–NYSENAT–2025–16 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[11]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–14759 Filed 8–4–25; 8:45 am]

BILLING CODE 8011–01–P

[6] 15 U.S.C. 78s(b)(3)(A)(iii).

[7] 17 CFR 240.19b–4(f)(6).

[8] 17 CFR 240.19b–4(f)(6).

[9] 17 CFR 240.19b–4(f)(6)(iii).

[10] 15 U.S.C. 78s(b)(2)(B).

[11] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103607; File No. SR–NYSEARCA–2025–53]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.37–E To Specify the Exchange's Source of Data Feeds

July 31, 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 July 25, 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, II, and III 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 amend Rule 7.37–E to specify the Exchange's source of data feeds from 24X National Exchange (''24X'') for purposes of order handling, order execution, order routing, and regulatory compliance. The

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

proposed rule change is available on the Exchange's website at *www.nyse.com* and at the principal office of the Exchange.

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 Exchange proposes to update and amend the use of data feeds table in Rule 7.37–E(d), which sets forth on a market-by-market basis the specific securities information processor (''SIP'') and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks related to each of those functions. Specifically, in light of the fact that 24X National Exchange (''24X'') has announced that it will launch operations on September 29, 2025,[3] the Exchange proposes to amend the table in Rule 7.37–E(d) to specify that the Exchange will receive a 24X direct feed as its primary source of data for order handling, order execution, order routing, and regulatory compliance, and will use the SIP Data Feed as its secondary source for data from 24X.

The Exchange proposes to make this change operative on the date that 24X launches operations.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,[4] in general, and furthers the objectives of Section 6(b)(5),[5] in particular, because 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 facilitating transactions in securities, to remove impediments to, and perfect the mechanism of, a free and open market and a national market system and, in general, to protect investors and the public interest. Additionally, the Exchange believes that the proposed rule change is consistent with the Section 6(b)(5) requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes its proposal to add 24X to the table in Rule 7.37–E(d) will ensure that the Rule correctly identifies and publicly states on a market-by-market basis all of the specific SIP and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks for each of those functions. The proposed rule change also removes impediments to and perfects the mechanism of a free and open market and protects investors and the public interest by providing additional specificity, clarity, and transparency in the Exchange's rules.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Rather, the Exchange believes that the proposal will enhance competition because providing the public and market participants with up-to-date information about the data feeds the Exchange will use for the handling, execution, and routing of orders, as well as for regulatory compliance would enhance transparency and enable investors to better assess the quality of the Exchange's execution and routing services. In addition, the proposed rule change would not impact competition between market participants because it will affect all market participants equally.

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[6] and Rule 19b–4(f)(6) thereunder.[7] Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b–4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b–4(f)(6)[8] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b4(f)(6)(iii),[9] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest.

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)[10] 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–2025–53 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.

[3] *See* 24X press release at *https://24exchange.com/trading-on-24x-national-exchange-set-to-commence-in-september/.*

[4] 15 U.S.C. 78f(b).

[5] 15 U.S.C. 78f(b)(5).

[6] 15 U.S.C. 78s(b)(3)(A)(iii).

[7] 17 CFR 240.19b–4(f)(6).

[8] 17 CFR 240.19b–4(f)(6).

[9] 17 CFR 240.19b–4(f)(6)(iii).

[10] 15 U.S.C. 78s(b)(2)(B).

All submissions should refer to file number SR–NYSEARCA–2025–53. 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 filing 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–2025–53 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[11]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–14758 Filed 8–4–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103606; File No. SR–NYSEAMER–2025–43]

Self-Regulatory Organizations; NYSE American LLC; Notice of Filing and Immediate Effectiveness of Proposed Change To Amend Rule 7.37E To Specify the Exchange's Source of Data Feeds

July 31, 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 July 25, 2025, NYSE American LLC (''NYSE American'' or the ''Exchange'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I, II, and III 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 amend Rule 7.37E to specify the Exchange's source of data feeds from 24X National Exchange (''24X'') for purposes of order handling, order execution, order routing, and regulatory compliance. The proposed rule change is available on the Exchange's website at *www.nyse.com* and at the principal office of the Exchange.

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 Exchange proposes to update and amend the use of data feeds table in Rule 7.37E(d), which sets forth on a market-by-market basis the specific securities information processor (''SIP'') and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks related to each of those functions. Specifically, in light of the fact that 24X National Exchange (''24X'') has announced that it will launch operations on September 29, 2025,[3] the Exchange proposes to amend the table in Rule 7.37E(d) to specify that the Exchange will receive a 24X direct feed as its primary source of data for order handling, order execution, order routing, and regulatory compliance, and will use the SIP Data Feed as its secondary source for data from 24X.

The Exchange proposes to make this change operative on the date that 24X launches operations.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,[4] in general, and furthers the objectives of Section 6(b)(5),[5] in particular, because 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 facilitating transactions in securities, to remove impediments to, and perfect the mechanism of, a free and open market and a national market system and, in general, to protect investors and the public interest. Additionally, the Exchange believes that the proposed rule change is consistent with the Section 6(b)(5) requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes its proposal to add 24X to the table in Rule 7.37E(d) will ensure that the Rule correctly identifies and publicly states on a market-by-market basis all of the specific SIP and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks for each of those functions. The proposed rule change also removes impediments to and perfects the mechanism of a free and open market and protects investors and the public interest by providing additional specificity, clarity, and transparency in the Exchange's rules.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Rather, the Exchange believes that the proposal will enhance competition because providing the public and market participants with up-to-date information about the data feeds the Exchange will use for the handling, execution, and routing of orders, as well as for regulatory compliance would enhance transparency and enable investors to better assess the quality of the Exchange's execution and routing services. In addition, the proposed rule change would not impact competition between market participants because it will affect all market participants equally.

[11] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* 24X press release at *https://24exchange.com/trading-on-24x-national-exchange-set-to-commence-in-september/.*

[4] 15 U.S.C. 78f(b).

[5] 15 U.S.C. 78f(b)(5).

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[6] and Rule 19b–4(f)(6) thereunder.[7] Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b–4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b–4(f)(6)[8] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[9] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest.

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)[10] 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–NYSEAMER–2025–43 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–NYSEAMER–2025–43. 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 filing 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–NYSEAMER–2025–43 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[11]

Sherry R. Haywood,

Assistant Secretary.

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[6] 15 U.S.C. 78s(b)(3)(A)(iii).

[7] 17 CFR 240.19b–4(f)(6).

[8] 17 CFR 240.19b–4(f)(6).

[9] 17 CFR 240.19b–4(f)(6)(iii).

[10] 15 U.S.C. 78s(b)(2)(B).

[11] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103610; File No. SR–PEARL–2025–37]

Self-Regulatory Organizations; MIAX PEARL, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 402, Criteria for Underlying Securities, To List and Trade Options on the VanEck Bitcoin Trust

July 31, 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 July 30, 2025, MIAX PEARL, LLC (''MIAX Pearl'' or the ''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 MIAX Pearl. 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 Exchange Rule 402, Criteria for Underlying Securities to list and trade options on the VanEck Bitcoin Trust (the ''Trust'').

The text of the proposed rule change is available on the Exchange's website at *https://www.miaxglobal.com/markets/us-equities/pearl-equities/rule-filings,* and at MIAX Pearl's principal office.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, MIAX Pearl 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. MIAX Pearl 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 Exchange Rule 402, Criteria for Underlying Securities,[3] to allow the Exchange to list and trade options on the Fund, designating it as appropriate for options trading on the Exchange.[4]

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] The Exchange notes that its affiliate options exchanges, Miami International Securities Exchange, LLC (''MIAX'') and MIAX Sapphire, LLC (''MIAX Sapphire''), submitted (or will submit) substantively similar proposals. The Exchange notes that all the rules of Chapter III of MIAX, including Exchange Rules 307 and 309, are incorporated by reference into the MIAX Pearl and MIAX Sapphire rulebooks. The Exchange also notes that all of the rules of Chapter III of MIAX, including Exchange Rules 307 and 309, and the rules of Chapter IV of MIAX, including Exchange Rule 402, are incorporated by reference into the MIAX Emerald, LLC (''MIAX Emerald'') rulebook.

[4] *See* Securities Exchange Act Release No. 99306 (January 10, 2024), 89 FR 3008 (January 17, 2024)

This is a competitive filing based on a similar proposal submitted by Cboe Exchange, Inc. (''Cboe''), which was approved by the Securities and Exchange Commission (the ''Commission'').[5]

Current Exchange Rule 402(i)(4) provides that, subject to certain other criteria set forth in that Rule, securities deemed appropriate for options trading include shares or other securities (''Exchange Traded Fund Shares'' or ''ETFs'') that represent certain types of interests,[6] including interests in certain specific trusts that hold financial instruments, money market instruments, precious metals (which are deemed commodities).

The Fund is a Bitcoin-backed commodity ETF structured as a trust. Similar to any ETF currently deemed appropriate for options trading under Exchange Rule 402(i)(4), the investment objective of the Fund is for its shares to reflect the performance of Bitcoin (less the expenses of the Fund's operations), offering investors an opportunity to gain exposure to Bitcoin without the complexities of Bitcoin delivery. As is the case for ETFs currently deemed appropriate for options trading, the Fund's shares represent units of fractional undivided beneficial interest in the trust, the assets of which consist principally of Bitcoin and are designed to track Bitcoin or the performance of the price of Bitcoin and offer access to the Bitcoin market.[7] The Fund provides investors with cost-efficient alternatives that allow a level of participation in the Bitcoin market through the securities market.

The Exchange believes the Fund satisfies the Exchange's initial listing standards for ETFs on which the Exchange may list options. Specifically, the Fund satisfies the initial listing standards set forth in Exchange Rule 402(a), as is the case for other ETFs on which the Exchange lists options (including trusts that hold commodities). Exchange Rule 402(i)(5)(i) requires that the ETFs must either (1) meet the criteria and standards set forth in Exchange Rule 402(a) or 402(b),[8] or (2) be available for creation or redemption each business day from or through the issuer in cash or in kind at a price related to net asset value, and the issuer must be obligated to issue ETFs in a specified aggregate number even if some or all of the investment assets required to be deposited have not been received by the issuer, subject to the condition that the person obligated to deposit the investments has undertaken to deliver the investment assets as soon as possible and such undertaking is secured by the delivery and maintenance of collateral consisting of cash or cash equivalents satisfactory to the issuer, as provided in the respective prospectus. The Fund satisfies Exchange Rule 402(i)(5)(i), as it is subject to this creation and redemption process.

While not required by the Rules for purposes of options listings, the Exchange believes the Fund satisfies the criteria and guidelines set forth Exchange Rule 402(b). Pursuant to Rule 402(a), a security (which includes an ETF) on which options may be listed and traded on the Exchange must be registered (with the Commission) and be an NMS stock (as defined in Rule 600 of Regulation NMS under the Act, and be characterized by a substantial number of outstanding shares that are widely held and actively traded.[9] The Fund is an NMS Stock as defined in Rule 600 of Regulation NMS under the Act.[10] The Exchange believes that the Fund is characterized by a substantial number of outstanding shares that are widely held and actively traded.

As of March 5, 2025, based on the data presented in the Cboe filing,[11] the Fund had the following number of shares outstanding:

Bitcoin fund	Shares outstanding
VanEck Bitcoin ETF	49,900,000

The Fund had significantly more than 7,000,000 shares outstanding (approximately 7 times that amount), which is the minimum number of shares of a corporate stock that the Exchange generally requires to list options on that stock pursuant to Exchange Rule 402(b)(1). The Exchange believes this demonstrates that the Fund is characterized by a substantial number of outstanding shares.

(SR–CboeBZX–2023–040) (Order Granting Accelerated Approval of Proposed Rule Changes, as Modified by Amendments Thereto, to List and Trade Bitcoin-Based Commodity-Based Trust Shares and Trust Units) (''Bitcoin ETP Approval Order'').

[5] *See* Securities Exchange Act Release No. 103569 (July 29, 2025) (SR–CBOE–2025–017) (Self-Regulatory Organizations; Cboe Exchange, Inc.; Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 4, to Amend Rules 4.3, 4.20, and 8.30, to Allow the Exchange to List and Trade Options on the VanEck Bitcoin ETF)(''Cboe Approval'').

[6] *See* Exchange Rule 402(i), which permits options trading on exchange-traded funds that: (1) represent interests in registered investment companies (or series thereof) organized as open-end management investment companies, unit investment trusts or similar entities that hold portfolios of securities and/or financial instruments (''Funds''), including, but not limited to, stock index futures contracts, options on futures, options on securities and indices, equity caps, collars and floors, swap agreements, forward contracts, repurchase agreements and reverse repurchase agreements (the ''Financial Instruments''), and money market instruments, including, but not limited to, U.S. government securities and repurchase agreements (the ''Money Market Instruments'') comprising or otherwise based on or representing investments in broad-based indexes or portfolios of securities and/or Financial Instruments and Money Market Instruments (or that hold securities in one or more other registered investment companies that themselves hold such portfolios of securities and/or Financial Instruments and Money Market Instruments); (2) represent interests in a trust or similar entity that holds a specified non-U.S. currency or currencies deposited with the trust which when aggregated in some specified minimum number may be surrendered to the trust or similar entity by the beneficial owner to receive the specified non-U.S. currency or currencies and pays the beneficial owner interest and other distributions on the deposited non-U.S. currency or currencies, if any, declared and paid by the trust (''Currency Trust Shares''); (3) represent commodity pool interests principally engaged, directly or indirectly, in holding and/or managing portfolios or baskets of securities, commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or non-U.S. currency (''Commodity Pool ETFs''); (4) are issued by the SPDR® Gold Trust, the iShares COMEX Gold Trust, the iShares Silver Trust, the Aberdeen Standard Silver ETF Trust, the Aberdeen Standard Physical Gold Trust, the Aberdeen Standard Palladium ETF Trust, the Aberdeen Standard Platinum ETF Trust, the Goldman Sachs Physical Gold ETF, the Sprott Physical Gold Trust, the iShares Bitcoin Trust, the Grayscale Bitcoin Trust, the Grayscale Bitcoin Mini Trust, the Bitwise Bitcoin ETF, the Fidelity Wise Origin Bitcoin Fund, the ARK 21Shares Bitcoin ETF, the Fidelity Ethereum Fund, the iShares Ethereum Trust, the Grayscale Ethereum Trust, the Grayscale Ethereum Mini Trust, or the Bitwise Ethereum ETF; or (5) represent an interest in a registered investment company (''Investment Company'') organized as an open-end management company or similar entity, that invests in a portfolio of securities selected by the Investment Company's investment adviser consistent with the Investment Company's investment objectives and policies, which is issued in a specified aggregate minimum number in return for a deposit of a specified portfolio of securities and/or a cash amount with a value equal to the next determined net asset value (''NAV''), and when aggregated in the same specified minimum number, may be redeemed at a holder's request, which holder will be paid a specified portfolio of securities and/or cash with a value equal to the next determined NAV (''Managed Fund Share''); provided that all of the conditions listed in (5)(i) and 5(ii) are met.

[7] The Trust may include minimal cash and cash equivalents (*i.e.,* short-term instruments with maturities of less than three months).

[8] Subparagraphs (a) and (b) of Exchange Rule 402 provide for guidelines to be used by the Exchange when evaluating potential underlying securities for Exchange option transactions.

[9] The criteria and guidelines for a security to be considered widely held and actively traded are set forth in Exchange Rule 402(b), subject to exceptions.

[10] An ''NMS stock'' means any NMS security other than an option, and an ''NMS security'' means any security or class of securities for which transaction reports are collected, processed, and made available pursuant to an effective transaction reporting plan (or an effective national market system plan for reporting transaction in listed options). *See* 17 CFR 242.600(b)(64) (definition of ''NMS security'') and (65) (definition of ''NMS stock'').

[11] *See supra* note 5

Further, the below table, as presented in Cboe's filing,[12] contains information regarding the number of beneficial holders of the Fund as of the specified dates:

Bitcoin fund	Beneficial holders	Date
VanEck Bitcoin ETF	32,469	1/31/25

As this table shows, the Fund has significantly more than 2,000 beneficial holders (approximately 16 times more), which is the minimum number of holders the Exchange generally requires for corporate stock in order to list options on that stock pursuant to Exchange Rule 402(b)(2). Therefore, the Exchange believes the shares of the Fund are widely held.

The Exchange also believes the shares of the Fund are actively traded. As of March 5, 2025, based on the data presented in Cboe's filing,[13] the total trading volume (by shares) for the trust for the six-month period of September 5, 2024, through March 5, 2025, and the approximate average daily volume (''ADV'') (in shares and notional) over the 30-day period of January 21, 2024, through March 5, 2025, for the Fund was as follows:

Bitcoin fund	6-Month trading volume (shares)	30-Day ADV (shares)	30-Day ADV (notional $)
VanEck Bitcoin ETF	133,275,448	794,677	39,163,513.72

As demonstrated above, as of March 5, 2025, based on the data presented in Cboe's filing,[14] the six-month trading volume for the Fund as of that date was substantially higher than 2,400,000 shares (approximately 55 times that amount), which is the minimum 12-month volume the Exchange generally requires for an underlying security in order to list options on that security as set forth in Exchange Rule 402(b)(4). The Exchange believes this data demonstrates the Fund is characterized as having shares that are actively traded.

Options on the Fund will be subject to the Exchange's continued listing standards set forth in Exchange Rule 403(g), for ETFs deemed appropriate for options trading pursuant to Exchange Rule 402(i). Specifically, Exchange Rule 403(g) provides that ETFs that were initially approved for options trading pursuant to Exchange Rule 402(i) shall be deemed not to meet the requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the class covering that such ETFs, if the ETFs cease to be an NMS stock or the ETFs, are delisted from trading pursuant to Exchange Rule 403(b)(4), are halted or suspended from trading in their primary market. Additionally, options on ETFs may be subject to the suspension of opening transactions in any of the following circumstances: (1) in the case of options covering ETFs approved for trading under Exchange Rule 402(i)(5)(i)(A), in accordance with the terms of paragraphs (b)(1), (2), and (3) of Exchange Rule 403; (2) in the case of options covering ETFs approved for trading under Exchange Rule 402(i)(5)(i)(B)(as is the case for the Fund), following the initial twelve-month period beginning upon the commencement of trading in the ETFs on a national securities exchange and are defined as an NMS stock, there are fewer than 50 record and/or beneficial holders of such ETFs for 30 or more consecutive trading days; (3) the value of the index or portfolio of securities, non-U.S. currency, or portfolio of commodities including commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or financial instruments and money market instruments on which the ETFs are based is no longer calculated or available; or (4) such other event shall occur or condition exist that in the opinion of the Exchange makes further dealing in such options on the Exchange inadvisable.

Options on the Fund will be physically settled contracts with American-style exercise.[15] Consistent with current Exchange Rule 404, which governs the opening of options series on a specific underlying security (including ETFs), the Exchange will open at least one expiration month for options on the Fund [16] at the commencement of trading on the Exchange and may also list series of options on the Fund for trading on a weekly,[17] monthly,[18] or quarterly [19] basis. The Exchange may also list long-term equity option series (''LEAPS'') that expire from 12 to 39 months from the time they are listed.[20]

Pursuant to Exchange Rule 404, Interpretation and Policy .06, which governs strike prices of series of options on ETFs, the interval between strike prices of series of options on ETFs approved for options trading pursuant to Exchange Rule 402(i) shall be fixed at a price per share which is reasonably close to the price per share at which the underlying security is traded in the primary market at or about the same time such series of options is first open for trading on the Exchange, or at such intervals as may have been established on another options exchange prior to the initiation of trading on the Exchange. With respect to the Short Term Options Series or Weekly Program, during the

[12] *Id.*

[13] *See supra* note 5.

[14] *Id.*

[15] *See* Exchange Rule 401, which provides that the rights and obligations of holders and writers are set forth in the Rules of the Options Clearing Corporation (''OCC''); *see also* OCC Rules, Chapters VIII (which governs exercise and assignment) and Chapter IX (which governs the discharge of delivery and payment obligations arising out of the exercise of physically settled stock option contracts).

[16] *See* Exchange Rule 404(b). The monthly expirations are subject to certain listing criteria for underlying securities described within Exchange Rule 404 and its Interpretations and Policies. Monthly listings expire the third Friday of the month. The term ''expiration date'' (unless separately defined elsewhere in the OCC By-Laws), when used in respect of an option contract (subject to certain exceptions), means the third Friday of the expiration month of such option contract, or if such Friday is a day on which the exchange on which such option is listed is not open for business, the preceding day on which such exchange is open for business. *See* OCC By-Laws Article I, Section 1. Pursuant to Exchange Rule 404(c), additional series of options of the same class may be opened for trading on the Exchange when the Exchange deems it necessary to maintain an orderly market, to meet customer demand or when the market price of the underlying stock moves more than five strike prices from the initial exercise price or prices. Pursuant to Exchange Rule 404(e), new series of options on an individual stock may be added until the beginning of the month in which the options contract will expire. Due to unusual market conditions, the Exchange, in its discretion, may add a new series of options on an individual stock until the close of trading on the business day prior to expiration.

[17] *See* Exchange Rule 404, Interpretation and Policy .02.

[18] *See* Exchange Rule 404, Interpretation and Policy .13.

[19] *See* Exchange Rule 404, Interpretation and Policy .03.

[20] *See* Exchange Rule 406.

month prior to expiration of an option class that is selected for the Short Term Option Series Program, the strike price intervals for the related non-Short Term Option (''Related non-Short Term Option'') shall be the same as the strike price intervals for the Short Term Option.[21] Specifically, the Exchange may open for trading Short Term Option Series at strike price intervals of (i) $0.50 or greater where the strike price is less than $100, and $1 or greater where the strike price is between $100 and $150 for all option classes that participate in the Short Term Options Series Program; (ii) $0.50 for option classes that trade in one dollar increments and are in the Short Term Option Series Program; or (iii) $2.50 or greater where the strike price is above $150.[22] Additionally, the Exchange may list series of options pursuant to the $1 Strike Price Interval Program,[23] the $0.50 Strike Program,[24] and the $2.50 Strike Price Program.[25] Pursuant to Exchange Rule 510, where the price of a series of options for a Bitcoin Fund is less than $3.00, the minimum increment will be $0.05, and where the price is $3.00 or higher, the minimum increment will be $0.10[26] consistent with the minimum increments for options on other ETFs listed on the Exchange. Any and all new series of Fund options that the Exchange lists will be consistent and comply with the expirations, strike prices, and minimum increments set forth in Rules 404 and 510, as applicable.

Fund options will trade in the same manner as any other ETF options on the Exchange. The Exchange Rules that currently apply to the listing and trading of all ETFs options on the Exchange, including, for example, Exchange Rules that govern listing criteria, expirations, exercise prices, minimum increments, margin requirements, customer accounts and trading halt procedures will apply to the listing and trading of the Fund options on the Exchange in the same manner as they apply to other options on all other ETFs that are listed and traded on the Exchange, including the precious-metal backed commodity ETFs already deemed appropriate for options trading on the Exchange pursuant to current Exchange Rule 402(i)(4).

As mentioned above, the rules for position and exercise limits for options on ETFs, including the Fund options, are determined pursuant to MIAX Rules 307 and 309, respectively, as incorporated by reference into the MIAX Pearl Rulebook. Position and exercise limits for ETF options vary according to the number of outstanding shares and the trading volumes of the underlying ETF over the past six months, where the largest in capitalization and the most frequently traded ETFs have an option position and exercise limit of 250,000 contracts (with adjustments for splits, re-capitalizations, etc.) on the same side of the market; and smaller capitalization ETFs have position and exercise limits of 200,000, 75,000, 50,000 or 25,000 contracts (with adjustments for splits, re-capitalizations, etc.) on the same side of the market. The Exchange further notes that MIAX Rule 1502, which governs margin requirements applicable to trading on the Exchange, including options on ETFs, will also apply to the trading of the Fund options, as MIAX Chapter XV (Margins) is also incorporated by reference into the MIAX Pearl Rulebook. Notwithstanding the position limits in MIAX Rule 307(d) and exercise limits in MIAX Rule 309, the Exchange proposes the position and exercise limits for the Fund to be 25,000 contracts on the same side pursuant to proposed Interpretation and Policy.01 to MIAX Rule 307 and proposed Interpretation and Policy .01 to MIAX Rule 309.

Today, the Exchange has an adequate surveillance program in place for options. The Exchange intends to apply those same program procedures to options on the Fund that it applies to the Exchange's other options products.[27] The Exchange's market surveillance staff would have access to the surveillances conducted by its affiliate exchanges, MIAX and MIAX Sapphire, with respect to the Fund and would review activity in the underlying Fund when conducting surveillances for market abuse or manipulation in the options on the Fund. Additionally, the Exchange is a member of the Intermarket Surveillance Group (''ISG'') under the ISG Agreement. ISG members work together to coordinate surveillance and investigative information sharing in the stock, options, and futures markets. In addition to obtaining information from the Exchange's affiliates, the Exchange would be able to obtain information regarding trading of shares of the Fund from Cboe and other markets through ISG.

In addition, the Exchange has a Regulatory Services Agreement with the Financial Industry Regulatory Authority (''FINRA'') for certain market surveillance, investigation and examinations functions. Pursuant to a multi-party 17d–2 joint plan, all options exchanges allocate amongst themselves and FINRA responsibilities to conduct certain options-related market surveillance that are common to rules of all options exchanges.[28]

The underlying shares of spot bitcoin exchange-traded products (''ETPs''), including the Fund, are also subject to safeguards related to addressing market abuse and manipulation. As the Commission stated in its order approving proposals of several exchanges to list and trade shares of spot bitcoin-based ETPs:

> Each Exchange has a comprehensive surveillance-sharing agreement with the CME via their common membership in the Intermarket Surveillance Group. This facilitates the sharing of information that is available to the CME through its surveillance of its markets, including its surveillance of the CME bitcoin futures market.[29]

The Exchange states that, given the consistently high correlation between the CME Bitcoin futures market and the spot bitcoin market, as confirmed by the Commission through robust correlation analysis, the Commission was able to conclude that such surveillance sharing agreements could reasonably be ''expected to assist in surveilling for fraudulent and manipulative acts and practices in the specific context of the [Bitcoin ETPs].'' [30]

In light of surveillance measures related to both options and futures as well as the Fund,[31] the Exchange

[21] *See* Exchange Rule 404, Interpretation and Policy .02(e).

[22] *Id.*

[23] *See* Exchange Rule 404, Interpretation and Policy .01.

[24] *See* Exchange Rule 404, Interpretation and Policy .04.

[25] *See* Exchange Rule 404(f).

[26] *See* Exchange Rule 510.

[27] The surveillance program includes surveillance patterns for price and volume movements as well as patterns for potential manipulation (*e.g.,* spoofing and marking the close).

[28] Section 19(g)(1) of the Act, among other things, requires every self-regulatory organization (''SRO'') registered as a national securities exchange or national securities association to comply with the Act, the rules and regulations thereunder, and the SRO's own rules, and, absent reasonable justification or excuse, enforce compliance by its members and persons associated with its members. *See* 15 U.S.C. 78q(d)(1) and 17 CFR 240.17d–2. Section 17(d)(1) of the Act allows the Commission to relieve an SRO of certain responsibilities with respect to members of the SRO who are also members of another SRO (''common members''). Specifically, Section 17(d)(1) allows the Commission to relieve an SRO of its responsibilities to: (i) receive regulatory reports from such members; (ii) examine such members for compliance with the Act and the rules and regulations thereunder, and the rules of the SRO; or (iii) carry out other specified regulatory responsibilities with respect to such members.

[29] *See* Bitcoin ETP Approval Order, 89 FR at 3009.

[30] *See* Bitcoin ETP Approval Order, 89 FR at 3010–11.

[31] *See supra* note 4.

believes that existing surveillance procedures are designed to deter and detect possible manipulative behavior which might potentially arise from listing and trading the proposed options on the Fund. Further, the Exchange will implement any new surveillance procedures it deems necessary to effectively monitor the trading of options on the Fund.

The Exchange has also analyzed its capacity and represents that it believes the Exchange and Options Price Reporting Authority (''OPRA'') have the necessary systems capacity to handle the additional traffic associated with the listing of new series that may result from the introduction of options on Fund up to the number of expirations currently permissible under the Rules. The Exchange believes any additional traffic that may be generated from the introduction of the Fund options will be manageable.

The Exchange believes that offering options on the Fund will benefit investors by providing them with an additional, relatively lower cost investing tool to gain exposure to the price of Bitcoin and hedging vehicle to meet their investment needs in connection with Bitcoin-related products and positions. The Exchange expects investors will transact in options on the Fund in the unregulated over-the-counter (''OTC'') options market,[32] but may prefer to trade such options in a listed environment to receive the benefits of trading listing options, including (1) enhanced efficiency in initiating and closing out positions; (2) increased market transparency; and (3) heightened contra-party creditworthiness due to the role of OCC as issuer and guarantor of all listed options. The Exchange believes that listing the Fund options may cause investors to bring this liquidity to the Exchange, would increase market transparency and enhance the process of price discovery conducted on the Exchange through increased order flow. The ETFs that hold financial instruments, money market instruments, or precious metal commodities on which the Exchange may already list and trade options are trusts structured in substantially the same manner as the Fund and essentially offer the same objectives and benefits to investors, just with respect to different assets. The Exchange notes that it has not identified any issues with the continued listing and trading of any options on ETFs, including ETFs that hold commodities (*i.e.,* precious metals) that it currently lists and trades on the Exchange.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.[33] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5) [34] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5) [35] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange believes that the proposal to list and trade options on the Fund will remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, protect investors because offering options on the Fund will provide investors with a greater opportunity to realize the benefits of utilizing options on the Fund, including cost efficiencies and increased hedging strategies. The Exchange believes that offering options on the Fund will benefit investors by providing them with a relatively lower-cost risk management tool, which will allow them to manage their positions and associated risks in their portfolios more easily in connection with to the price of Bitcoin and with Bitcoin-related products and positions. Additionally, the Exchange's offering of Fund options will provide investors with the ability to transact in such options in a listed market environment as opposed to in the unregulated OTC options market, which would increase market transparency and enhance the process of price discovery conducted on the Exchange through increased order flow to the benefit of all investors. The Exchange also notes that it already lists options on other commodity-based ETFs,[36] which, as described above, are trusts structured in substantially the same manner as the Fund and essentially offer the same objectives and benefits to investors, and for which the Exchange has not identified any issues with the continued listing and trading of commodity-based ETF options it currently lists for trading.[37]

The Exchange also believes the proposal to permit options on the Fund will remove impediments to and perfect the mechanism of a free and open market and a national market system, because it is consistent with current Exchange rules previously filed with the Commission.[38] Options on the Fund satisfy the initial listing standards and continued listing standards currently in the Exchange Rules applicable to options on all ETFs, including ETFs that hold other commodities already deemed appropriate for options trading on the Exchange. Additionally, as demonstrated above, the Fund is characterized by a substantial number of shares that are widely held and actively traded. Further, the Fund options will trade in the same manner as any other options on ETFs—the same Exchange Rules that currently govern the listing and trading of options on ETFs, including permissible expirations, strike prices, minimum increments, position and exercise limits (including as proposed in the filing submitted by Exchange's affiliate, MIAX) and margin requirements, will govern the listing and trading of options on the Fund in the same manner.

The Exchange believes the proposed position and exercise limits, as proposed in the filing submitted by Exchange's affiliate, MIAX, are designed to prevent fraudulent and manipulative acts and practices and promote just and equitable principles of trade, as they are designed to address potential manipulative schemes and adverse market impacts surrounding the use of options, such as disrupting the market in the security underlying the options. The proposed position and exercise limits for options for the Fund is 25,000 contracts, which is currently the lowest limit applicable to any equity options (including ETF options) and the

[32] The Exchange understands from customers that investors have historically transacted in options on ETFs in the OTC options market if such options were not available for trading in a listed environment.

[33] 15 U.S.C. 78f(b).

[34] 15 U.S.C. 78f(b)(5).

[35] *Id.*

[36] *See* Exchange Rule 402(i)(4).

[37] *See* Securities Exchange Act No. 101719 (November 22, 2024) 89 FR 94812 (November 29, 2024) (SR–PEARL–2024–54) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 402, Criteria for Underlying Securities, To Allow the Exchange To List and Trade Options on the Fidelity Wise Origin Bitcoin Fund (the ''Fidelity Fund'') and the ARK 21Shares Bitcoin ETF (the ''ARK 21 Fund'')).

[38] *See Id.*

position and exercise limits that apply to comparable ETFs that hold Bitcoin. The Exchange believes the proposed position and exercise limits are extremely conservative for the Fund options given the trading volume and outstanding shares for the Fund.

The Exchange represents that it has the necessary systems capacity to support the Fund options. As discussed above, the Exchange believes that its existing surveillance and reporting safeguards are designed to deter and detect possible manipulative behavior which might arise from listing and trading options on ETFs, including the Fund options.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. In this regard and as indicated above, the Exchange notes that the rule change is being proposed as a competitive response to the filing submitted by Cboe.[39]

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act as the Fund will be equally available to all market participants who wish to trade such options and will trade generally in the same manner as other options. The Exchange Rules that currently apply to the listing and trading of all options on ETFs on the Exchange, including, for example, Rules that govern listing criteria, expirations, exercise prices, minimum increments, margin requirements, customer accounts, and trading halt procedures will apply to the listing and trading of the Fund options on the Exchange in the same manner as they apply to other options on all other ETFs that are listed and traded on the Exchange. Also, and as stated above, the Exchange already lists options on other commodity-based securities.[40] Further, the Fund would need to satisfy the maintenance listing standards set forth in the Exchange Rules in the same manner as any other ETFs for the Exchange to continue listing options on them.

The Exchange does not believe that the proposal to list and trade options on the Fund will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the extent that the advent of the Fund options trading on the Exchange may make the Exchange a more attractive marketplace to market participants at other exchanges, such market participants are free to elect to become market participants on the Exchange. Additionally, other options exchanges are free to amend their listing rules, as applicable, to permit them to list and trade options on the Fund. The Exchange notes that listing and trading the Fund options on the Exchange will subject such options to transparent exchange-based rules as well as price discovery and liquidity, as opposed to alternatively trading such options in the OTC market.

The Exchange believes that the proposed rule change may relieve any burden on, or otherwise promote, competition, as it is designed to increase competition for order flow on the Exchange in a manner that is beneficial to investors by providing them with a lower-cost option to hedge their investment portfolios. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues that offer similar products. Ultimately, the Exchange believes that offering the Fund options for trading on the Exchange will promote competition by providing investors with an additional, relatively low-cost means to hedge their portfolios and meet their investment needs in connection with Bitcoin prices and Bitcoin-related products and positions on a listed options exchange.

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[41] and Rule 19b–4(f)(6) thereunder.[42] Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act[43] and subparagraph (f)(6) of Rule 19b–4 thereunder.[44]

A proposed rule change filed under Rule 19b–4(f)(6)[45] under the Act does not normally become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[46] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission previously approved the listing and trading of options on the VanEck Bitcoin Trust.[47] The Exchange has provided information regarding the underlying Fund, including, among other things, information regarding trading volume, the number of beneficial holders, and the average daily trading volume of the Fund. The proposal also establishes position and exercise limits for options on the Fund and provides information regarding the surveillance procedures that will apply to Fund options. The Commission believes that waiver of the operative delay could benefit investors by providing an additional venue for trading Fund options. Therefore, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposed rule change as operative upon filing.[48]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if

[39] *See supra* note 5.

[40] *See* Exchange Rule 402(i)(4).

[41] 15 U.S.C. 78s(b)(3)(A)(iii).

[42] 17 CFR 240.19b–4(f)(6).

[43] 15 U.S.C. 78s(b)(3)(A)(iii).

[44] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change 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 the pre-filing requirement.

[45] 17 CFR 240.19b–4(f)(6).

[46] 17 CFR 240.19b–4(f)(6)(iii).

[47] *See* Securities Exchange Act Release No. 103569 (July 29, 2025) (Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 4, to Amend Rules 4.3, 4.20, and 8.30, to Allow the Exchange to List and Trade Options on the VanEck Bitcoin ETF) (SR–CBOE–2025–017).

[48] For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

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–PEARL–2025–37 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–PEARL–2025–37. 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 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–PEARL–2025–37 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[49]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–14764 Filed 8–4–25; 8:45 am]

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[49] 17 CFR 200.30–3(a)(12), (59).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103611; File No. SR–SAPPHIRE–2025–31]

Self-Regulatory Organizations; MIAX Sapphire, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 402, Criteria for Underlying Securities To List and Trade Options on the VanEck Bitcoin Trust

July 31, 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 July 30, 2025, MIAX Sapphire, LLC (''MIAX Sapphire'' 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 Exchange Rule 402, Criteria for Underlying Securities to list and trade options on the VanEck Bitcoin Trust (the ''Trust'').

The text of the proposed rule change is available on the Exchange's website at *https://www.miaxglobal.com/markets/us-options/miax-sapphire/rule-filings,* and at the Exchange's principal office.

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.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

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 Exchange Rule 402, Criteria for Underlying Securities,[3] to allow the Exchange to list and trade options on the Fund, designating it as appropriate for options trading on the Exchange.[4] This is a competitive filing based on a similar proposal submitted by Cboe Exchange, Inc. (''Cboe''), which was approved by the Securities and Exchange Commission (the ''Commission'').[5]

Current Exchange Rule 402(i)(4) provides that, subject to certain other criteria set forth in that Rule, securities deemed appropriate for options trading include shares or other securities (''Exchange Traded Fund Shares'' or ''ETFs'') that represent certain types of interests,[6] including interests in certain

[3] The Exchange notes that its affiliate options exchanges, Miami International Securities Exchange, LLC (''MIAX'') and MIAX Pearl, LLC (''MIAX Pearl''), submitted (or will submit) substantively similar proposals. The Exchange notes that all the rules of Chapter III of MIAX, including Exchange Rules 307 and 309, are incorporated by reference into the MIAX Pearl and MIAX Sapphire rulebooks. The Exchange also notes that all of the rules of Chapter III of MIAX, including Exchange Rules 307 and 309, and the rules of Chapter IV of MIAX, including Exchange Rule 402, are incorporated by reference into the MIAX Emerald, LLC (''MIAX Emerald'') rulebook.

[4] *See* Securities Exchange Act Release No. 99306 (January 10, 2024), 89 FR 3008 (January 17, 2024) (SR–CboeBZX–2023–040) (Order Granting Accelerated Approval of Proposed Rule Changes, as Modified by Amendments Thereto, to List and Trade Bitcoin-Based Commodity-Based Trust Shares and Trust Units) (''Bitcoin ETP Approval Order'').

[5] *See* Securities Exchange Act Release No. 103569 (July 29, 2025) (SR–CBOE–2025–017) (Self-Regulatory Organizations; Cboe Exchange, Inc.; Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 4, to Amend Rules 4.3, 4.20, and 8.30, to Allow the Exchange to List and Trade Options on the VanEck Bitcoin ETF)(''Cboe Approval'').

[6] *See* Exchange Rule 402(i), which permits options trading on exchange-traded funds that: (1) represent interests in registered investment companies (or series thereof) organized as open-end management investment companies, unit investment trusts or similar entities that hold portfolios of securities and/or financial instruments (''Funds''), including, but not limited to, stock index futures contracts, options on futures, options on securities and indices, equity caps, collars and floors, swap agreements, forward contracts, repurchase agreements and reverse repurchase agreements (the ''Financial Instruments''), and money market instruments, including, but not limited to, U.S. government securities and repurchase agreements (the ''Money Market Instruments'') comprising or otherwise based on or representing investments in broad-based indexes or portfolios of securities and/or Financial Instruments and Money Market Instruments (or that hold securities in one or more other registered investment companies that themselves hold such

specific trusts that hold financial instruments, money market instruments, precious metals (which are deemed commodities).

The Fund is a Bitcoin-backed commodity ETF structured as a trust. Similar to any ETF currently deemed appropriate for options trading under Exchange Rule 402(i)(4), the investment objective of the Fund is for its shares to reflect the performance of Bitcoin (less the expenses of the Fund's operations), offering investors an opportunity to gain exposure to Bitcoin without the complexities of Bitcoin delivery. As is the case for ETFs currently deemed appropriate for options trading, the Fund's shares represent units of fractional undivided beneficial interest in the trust, the assets of which consist principally of Bitcoin and are designed to track Bitcoin or the performance of the price of Bitcoin and offer access to the Bitcoin market.[7] The Fund provides investors with cost-efficient alternatives that allow a level of participation in the Bitcoin market through the securities market.

The Exchange believes the Fund satisfies the Exchange's initial listing standards for ETFs on which the Exchange may list options. Specifically, the Fund satisfies the initial listing standards set forth in Exchange Rule 402(a), as is the case for other ETFs on which the Exchange lists options (including trusts that hold commodities). Exchange Rule 402(i)(5)(i) requires that the ETFs must either (1) meet the criteria and standards set forth in Exchange Rule 402(a) or 402(b),[8] or (2) be available for creation or redemption each business day from or through the issuer in cash or in kind at a price related to net asset value, and the issuer must be obligated to issue ETFs in a specified aggregate number even if some or all of the investment assets required to be deposited have not been received by the issuer, subject to the condition that the person obligated to deposit the investments has undertaken to deliver the investment assets as soon as possible and such undertaking is secured by the delivery and maintenance of collateral consisting of cash or cash equivalents satisfactory to the issuer, as provided in the respective prospectus. The Fund satisfies Exchange Rule 402(i)(5)(i), as it is subject to this creation and redemption process.

While not required by the Rules for purposes of options listings, the Exchange believes the Fund satisfies the criteria and guidelines set forth Exchange Rule 402(b). Pursuant to Rule 402(a), a security (which includes an ETF) on which options may be listed and traded on the Exchange must be registered (with the Commission) and be an NMS stock (as defined in Rule 600 of Regulation NMS under the Act, and be characterized by a substantial number of outstanding shares that are widely held and actively traded.[9] The Fund is an NMS Stock as defined in Rule 600 of Regulation NMS under the Act.[10] The Exchange believes that the Fund is characterized by a substantial number of outstanding shares that are widely held and actively traded.

As of March 5, 2025, based on the data presented in the Cboe filing,[11] the Fund had the following number of shares outstanding:

Bitcoin fund	Shares outstanding
VanEck Bitcoin ETF	49,900,000

The Fund had significantly more than 7,000,000 shares outstanding (approximately 7 times that amount), which is the minimum number of shares of a corporate stock that the Exchange generally requires to list options on that stock pursuant to Exchange Rule 402(b)(1). The Exchange believes this demonstrates that the Fund is characterized by a substantial number of outstanding shares.

Further, the below table, as presented in Cboe's filing,[12] contains information regarding the number of beneficial holders of the Fund as of the specified dates:

Bitcoin fund	Beneficial holders	Date
VanEck Bitcoin ETF	32,469	1/31/25

As this table shows, the Fund has significantly more than 2,000 beneficial holders (approximately 16 times more), which is the minimum number of holders the Exchange generally requires for corporate stock in order to list options on that stock pursuant to Exchange Rule 402(b)(2). Therefore, the Exchange believes the shares of the Fund are widely held.

The Exchange also believes the shares of the Fund are actively traded. As of March 5, 2025, based on the data presented in Cboe's filing,[13] the total trading volume (by shares) for the trust

portfolios of securities and/or Financial Instruments and Money Market Instruments); (2) represent interests in a trust or similar entity that holds a specified non-U.S. currency or currencies deposited with the trust which when aggregated in some specified minimum number may be surrendered to the trust or similar entity by the beneficial owner to receive the specified non-U.S. currency or currencies and pays the beneficial owner interest and other distributions on the deposited non-U.S. currency or currencies, if any, declared and paid by the trust (''Currency Trust Shares''); (3) represent commodity pool interests principally engaged, directly or indirectly, in holding and/or managing portfolios or baskets of securities, commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or non-U.S. currency (''Commodity Pool ETFs''); (4) are issued by the SPDR® Gold Trust, the iShares COMEX Gold Trust, the iShares Silver Trust, the Aberdeen Standard Silver ETF Trust, the Aberdeen Standard Physical Gold Trust, the Aberdeen Standard Palladium ETF Trust, the Aberdeen Standard Platinum ETF Trust, the Goldman Sachs Physical Gold ETF, the Sprott Physical Gold Trust, the iShares Bitcoin Trust, the Grayscale Bitcoin Trust, the Grayscale Bitcoin Mini Trust, the Bitwise Bitcoin ETF, the Fidelity Wise Origin Bitcoin Fund, the ARK 21Shares Bitcoin ETF, the Fidelity Ethereum Fund, the iShares Ethereum Trust, the Grayscale Ethereum Trust, the Grayscale Ethereum Mini Trust, or the Bitwise Ethereum ETF; or (5) represent an interest in a registered investment company (''Investment Company'') organized as an open-end management company or similar entity, that invests in a portfolio of securities selected by the Investment Company's investment adviser consistent with the Investment Company's investment objectives and policies, which is issued in a specified aggregate minimum number in return for a deposit of a specified portfolio of securities and/or a cash amount with a value equal to the next determined net asset value (''NAV''), and when aggregated in the same specified minimum number, may be redeemed at a holder's request, which holder will be paid a specified portfolio of securities and/or cash with a value equal to the next determined NAV (''Managed Fund Share''); provided that all of the conditions listed in (5)(i) and 5(ii) are met.

[7] The Trust may include minimal cash and cash equivalents (*i.e.,* short-term instruments with maturities of less than three months).

[8] Subparagraphs (a) and (b) of Exchange Rule 402 provide for guidelines to be used by the Exchange when evaluating potential underlying securities for Exchange option transactions.

[9] The criteria and guidelines for a security to be considered widely held and actively traded are set forth in Exchange Rule 402(b), subject to exceptions.

[10] An ''NMS stock'' means any NMS security other than an option, and an ''NMS security'' means any security or class of securities for which transaction reports are collected, processed, and made available pursuant to an effective transaction reporting plan (or an effective national market system plan for reporting transaction in listed options). *See* 17 CFR 242.600(b)(64) (definition of ''NMS security'') and (65) (definition of ''NMS stock'').

[11] *See supra* note 5.

[12] *Id.*

[13] *See supra* note 5.

for the six-month period of September 5, 2024, through March 5, 2025, and the approximate average daily volume (''ADV'') (in shares and notional) over the 30-day period of January 21, 2024, through March 5, 2025, for the Fund was as follows:

Bitcoin fund	6-Month trading volume (shares)	30-Day ADV (shares)	30-Day ADV (notional $)
VanEck Bitcoin ETF	133,275,448	794,677	39,163,513.72

As demonstrated above, as of March 5, 2025, based on the data presented in Cboe's filing,[14] the six-month trading volume for the Fund as of that date was substantially higher than 2,400,000 shares (approximately 55 times that amount), which is the minimum 12-month volume the Exchange generally requires for an underlying security in order to list options on that security as set forth in Exchange Rule 402(b)(4). The Exchange believes this data demonstrates the Fund is characterized as having shares that are actively traded.

Options on the Fund will be subject to the Exchange's continued listing standards set forth in Exchange Rule 403(g), for ETFs deemed appropriate for options trading pursuant to Exchange Rule 402(i). Specifically, Exchange Rule 403(g) provides that ETFs that were initially approved for options trading pursuant to Exchange Rule 402(i) shall be deemed not to meet the requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the class covering that such ETFs, if the ETFs cease to be an NMS stock or the ETFs, are delisted from trading pursuant to Exchange Rule 403(b)(4), are halted or suspended from trading in their primary market. Additionally, options on ETFs may be subject to the suspension of opening transactions in any of the following circumstances: (1) in the case of options covering ETFs approved for trading under Exchange Rule 402(i)(5)(i)(A), in accordance with the terms of paragraphs (b)(1), (2), and (3) of Exchange Rule 403; (2) in the case of options covering ETFs approved for trading under Exchange Rule 402(i)(5)(i)(B)(as is the case for the Fund), following the initial twelve-month period beginning upon the commencement of trading in the ETFs on a national securities exchange and are defined as an NMS stock, there are fewer than 50 record and/or beneficial holders of such ETFs for 30 or more consecutive trading days; (3) the value of the index or portfolio of securities, non-U.S. currency, or portfolio of commodities including commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or financial instruments and money market instruments on which the ETFs are based is no longer calculated or available; or (4) such other event shall occur or condition exist that in the opinion of the Exchange makes further dealing in such options on the Exchange inadvisable.

Options on the Fund will be physically settled contracts with American-style exercise.[15] Consistent with current Exchange Rule 404, which governs the opening of options series on a specific underlying security (including ETFs), the Exchange will open at least one expiration month for options on the Fund [16] at the commencement of trading on the Exchange and may also list series of options on the Fund for trading on a weekly,[17] monthly,[18] or quarterly [19] basis. The Exchange may also list long-term equity option series (''LEAPS'') that expire from 12 to 39 months from the time they are listed.[20]

Pursuant to Exchange Rule 404, Interpretation and Policy .06, which governs strike prices of series of options on ETFs, the interval between strike prices of series of options on ETFs approved for options trading pursuant to Exchange Rule 402(i) shall be fixed at a price per share which is reasonably close to the price per share at which the underlying security is traded in the primary market at or about the same time such series of options is first open for trading on the Exchange, or at such intervals as may have been established on another options exchange prior to the initiation of trading on the Exchange. With respect to the Short Term Options Series or Weekly Program, during the month prior to expiration of an option class that is selected for the Short Term Option Series Program, the strike price intervals for the related non-Short Term Option (''Related non-Short Term Option'') shall be the same as the strike price intervals for the Short Term Option.[21] Specifically, the Exchange may open for trading Short Term Option Series at strike price intervals of (i) $0.50 or greater where the strike price is less than $100, and $1 or greater where the strike price is between $100 and $150 for all option classes that participate in the Short Term Options Series Program; (ii) $0.50 for option classes that trade in one dollar increments and are in the Short Term Option Series Program; or (iii) $2.50 or greater where the strike price is above $150.[22] Additionally, the Exchange may list series of options pursuant to the $1 Strike Price Interval Program,[23] the

[14] *Id.*

[15] *See* Exchange Rule 401, which provides that the rights and obligations of holders and writers are set forth in the Rules of the Options Clearing Corporation (''OCC''); *see also* OCC Rules, Chapters VIII (which governs exercise and assignment) and Chapter IX (which governs the discharge of delivery and payment obligations arising out of the exercise of physically settled stock option contracts).

[16] *See* Exchange Rule 404(b). The monthly expirations are subject to certain listing criteria for underlying securities described within Exchange Rule 404 and its Interpretations and Policies. Monthly listings expire the third Friday of the month. The term ''expiration date'' (unless separately defined elsewhere in the OCC By-Laws), when used in respect of an option contract (subject to certain exceptions), means the third Friday of the expiration month of such option contract, or if such Friday is a day on which the exchange on which such option is listed is not open for business, the preceding day on which such exchange is open for business. *See* OCC By-Laws Article I, Section 1. Pursuant to Exchange Rule 404(c), additional series of options of the same class may be opened for trading on the Exchange when the Exchange deems it necessary to maintain an orderly market, to meet customer demand or when the market price of the underlying stock moves more than five strike prices from the initial exercise price or prices. Pursuant to Exchange Rule 404(e), new series of options on an individual stock may be added until the beginning of the month in which the options contract will expire. Due to unusual market conditions, the Exchange, in its discretion, may add a new series of options on an individual stock until the close of trading on the business day prior to expiration.

[17] *See* Exchange Rule 404, Interpretation and Policy .02.

[18] *See* Exchange Rule 404, Interpretation and Policy .13.

[19] *See* Exchange Rule 404, Interpretation and Policy .03.

[20] *See* Exchange Rule 406.

[21] *See* Exchange Rule 404, Interpretation and Policy .02(e).

[22] *Id.*

[23] *See* Exchange Rule 404, Interpretation and Policy .01.

$0.50 Strike Program,[24] and the $2.50 Strike Price Program.[25] Pursuant to Exchange Rule 510, where the price of a series of options for a Bitcoin Fund is less than $3.00, the minimum increment will be $0.05, and where the price is $3.00 or higher, the minimum increment will be $0.10 [26] consistent with the minimum increments for options on other ETFs listed on the Exchange. Any and all new series of Fund options that the Exchange lists will be consistent and comply with the expirations, strike prices, and minimum increments set forth in Rules 404 and 510, as applicable.

Fund options will trade in the same manner as any other ETF options on the Exchange. The Exchange Rules that currently apply to the listing and trading of all ETFs options on the Exchange, including, for example, Exchange Rules that govern listing criteria, expirations, exercise prices, minimum increments, margin requirements, customer accounts and trading halt procedures will apply to the listing and trading of the Fund options on the Exchange in the same manner as they apply to other options on all other ETFs that are listed and traded on the Exchange, including the precious-metal backed commodity ETFs already deemed appropriate for options trading on the Exchange pursuant to current Exchange Rule 402(i)(4).

As mentioned above, the rules for position and exercise limits for options on ETFs, including Fund options, are determined pursuant to MIAX Rules 307 and 309, respectively, as incorporated by reference into the MIAX Sapphire Rulebook. Position and exercise limits for ETF options vary according to the number of outstanding shares and the trading volumes of the underlying ETF over the past six months, where the largest in capitalization and the most frequently traded ETFs have an option position and exercise limit of 250,000 contracts (with adjustments for splits, re-capitalizations, etc.) on the same side of the market; and smaller capitalization ETFs have position and exercise limits of 200,000, 75,000, 50,000 or 25,000 contracts (with adjustments for splits, re-capitalizations, etc.) on the same side of the market. The Exchange further notes that MIAX Rule 1502, which governs margin requirements applicable to trading on the Exchange, including options on ETFs, will also apply to the trading of the Fund options, as MIAX Chapter XV (Margins) is also incorporated by reference into the MIAX Sapphire Rulebook. Notwithstanding the position limits in MIAX Rule 307(d) and exercise limits in MIAX Rule 309, the Exchange proposes the position and exercise limits for the Fund to be 25,000 contracts on the same side pursuant to proposed Interpretation and Policy .01 to MIAX Rule 307 and proposed Interpretation and Policy .01 to MIAX Rule 309.

Today, the Exchange has an adequate surveillance program in place for options. The Exchange intends to apply those same program procedures to options on the Fund that it applies to the Exchange's other options products.[27] The Exchange's market surveillance staff would have access to the surveillances conducted by its affiliate exchanges, MIAX and MIAX Pearl, with respect to the Fund and would review activity in the underlying Fund when conducting surveillances for market abuse or manipulation in the options on the Fund. Additionally, the Exchange is a member of the Intermarket Surveillance Group (''ISG'') under the ISG Agreement. ISG members work together to coordinate surveillance and investigative information sharing in the stock, options, and futures markets. In addition to obtaining information from the Exchange's affiliates, the Exchange would be able to obtain information regarding trading of shares of the Fund from Cboe and other markets through ISG.

In addition, the Exchange has a Regulatory Services Agreement with the Financial Industry Regulatory Authority (''FINRA'') for certain market surveillance, investigation and examinations functions. Pursuant to a multi-party 17d–2 joint plan, all options exchanges allocate amongst themselves and FINRA responsibilities to conduct certain options-related market surveillance that are common to rules of all options exchanges.[28]

The underlying shares of spot bitcoin exchange-traded products (''ETPs''), including the Fund, are also subject to safeguards related to addressing market abuse and manipulation. As the Commission stated in its order approving proposals of several exchanges to list and trade shares of spot bitcoin-based ETPs:

> Each Exchange has a comprehensive surveillance-sharing agreement with the CME via their common membership in the Intermarket Surveillance Group. This facilitates the sharing of information that is available to the CME through its surveillance of its markets, including its surveillance of the CME bitcoin futures market.[29]

The Exchange states that, given the consistently high correlation between the CME Bitcoin futures market and the spot bitcoin market, as confirmed by the Commission through robust correlation analysis, the Commission was able to conclude that such surveillance sharing agreements could reasonably be ''expected to assist in surveilling for fraudulent and manipulative acts and practices in the specific context of the [Bitcoin ETPs].'' [30]

In light of surveillance measures related to both options and futures as well as the Fund,[31] the Exchange believes that existing surveillance procedures are designed to deter and detect possible manipulative behavior which might potentially arise from listing and trading the proposed options on the Fund. Further, the Exchange will implement any new surveillance procedures it deems necessary to effectively monitor the trading of options on the Fund.

The Exchange has also analyzed its capacity and represents that it believes the Exchange and Options Price Reporting Authority (''OPRA'') have the necessary systems capacity to handle the additional traffic associated with the listing of new series that may result from the introduction of options on Fund up to the number of expirations currently permissible under the Rules. The Exchange believes any additional traffic that may be generated from the introduction of the Fund options will be manageable.

The Exchange believes that offering options on the Fund will benefit investors by providing them with an additional, relatively lower cost investing tool to gain exposure to the

[24] *See* Exchange Rule 404, Interpretation and Policy .04.

[25] *See* Exchange Rule 404(f).

[26] *See* Exchange Rule 510.

[27] The surveillance program includes surveillance patterns for price and volume movements as well as patterns for potential manipulation (*e.g.,* spoofing and marking the close).

[28] Section 19(g)(1) of the Act, among other things, requires every self-regulatory organization (''SRO'') registered as a national securities exchange or national securities association to comply with the Act, the rules and regulations thereunder, and the SRO's own rules, and, absent reasonable justification or excuse, enforce compliance by its members and persons associated with its members. *See* 15 U.S.C. 78q(d)(1) and 17 CFR 240.17d–2. Section 17(d)(1) of the Act allows the Commission to relieve an SRO of certain responsibilities with respect to members of the SRO who are also members of another SRO (''common members''). Specifically, Section 17(d)(1) allows the Commission to relieve an SRO of its responsibilities to: (i) receive regulatory reports from such members; (ii) examine such members for compliance with the Act and the rules and regulations thereunder, and the rules of the SRO; or (iii) carry out other specified regulatory responsibilities with respect to such members.

[29] *See* Bitcoin ETP Approval Order, 89 FR at 3009.

[30] *See* Bitcoin ETP Approval Order, 89 FR at 3010–11.

[31] *See supra* note 4.

price of Bitcoin and hedging vehicle to meet their investment needs in connection with Bitcoin-related products and positions. The Exchange expects investors will transact in options on the Fund in the unregulated over-the-counter (''OTC'') options market,[32] but may prefer to trade such options in a listed environment to receive the benefits of trading listing options, including (1) enhanced efficiency in initiating and closing out positions; (2) increased market transparency; and (3) heightened contra-party creditworthiness due to the role of OCC as issuer and guarantor of all listed options. The Exchange believes that listing the Fund options may cause investors to bring this liquidity to the Exchange, would increase market transparency and enhance the process of price discovery conducted on the Exchange through increased order flow. The ETFs that hold financial instruments, money market instruments, or precious metal commodities on which the Exchange may already list and trade options are trusts structured in substantially the same manner as the Fund and essentially offer the same objectives and benefits to investors, just with respect to different assets. The Exchange notes that it has not identified any issues with the continued listing and trading of any options on ETFs, including ETFs that hold commodities (*i.e.,* precious metals) that it currently lists and trades on the Exchange.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.[33] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5) [34] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

[32] The Exchange understands from customers that investors have historically transacted in options on ETFs in the OTC options market if such options were not available for trading in a listed environment.

[33] 15 U.S.C. 78f(b).

[34] 15 U.S.C. 78f(b)(5).

Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5) [35] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange believes that the proposal to list and trade options on the Fund will remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, protect investors because offering options on the Fund will provide investors with a greater opportunity to realize the benefits of utilizing options on the Fund, including cost efficiencies and increased hedging strategies. The Exchange believes that offering options on the Fund will benefit investors by providing them with a relatively lower-cost risk management tool, which will allow them to manage their positions and associated risks in their portfolios more easily in connection with to the price of Bitcoin and with Bitcoin-related products and positions. Additionally, the Exchange's offering of Fund options will provide investors with the ability to transact in such options in a listed market environment as opposed to in the unregulated OTC options market, which would increase market transparency and enhance the process of price discovery conducted on the Exchange through increased order flow to the benefit of all investors. The Exchange also notes that it already lists options on other commodity-based ETFs,[36] which, as described above, are trusts structured in substantially the same manner as the Fund and essentially offer the same objectives and benefits to investors, and for which the Exchange has not identified any issues with the continued listing and trading of commodity-based ETF options it currently lists for trading.[37]

The Exchange also believes the proposal to permit options on the Fund will remove impediments to and perfect the mechanism of a free and open market and a national market system, because it is consistent with current Exchange rules previously filed with the Commission.[38] Options on the Fund satisfy the initial listing standards and continued listing standards currently in the Exchange Rules applicable to options on all ETFs, including ETFs that hold other commodities already deemed appropriate for options trading on the Exchange. Additionally, as demonstrated above, the Fund is characterized by a substantial number of shares that are widely held and actively traded. Further, the Fund options will trade in the same manner as any other options on ETFs—the same Exchange Rules that currently govern the listing and trading of options on ETFs, including permissible expirations, strike prices, minimum increments, position and exercise limits (including as proposed in the filing submitted by Exchange's affiliate, MIAX) and margin requirements, will govern the listing and trading of options on the Fund in the same manner.

The Exchange believes the proposed position and exercise limits, as proposed in the filing submitted by Exchange's affiliate, MIAX, are designed to prevent fraudulent and manipulative acts and practices and promote just and equitable principles of trade, as they are designed to address potential manipulative schemes and adverse market impacts surrounding the use of options, such as disrupting the market in the security underlying the options. The proposed position and exercise limits for options for the Fund is 25,000 contracts, which is currently the lowest limit applicable to any equity options (including ETF options) and the position and exercise limits that apply to comparable ETFs that hold Bitcoin. The Exchange believes the proposed position and exercise limits are extremely conservative for the Fund options given the trading volume and outstanding shares for the Fund.

The Exchange represents that it has the necessary systems capacity to support the Fund options. As discussed above, the Exchange believes that its existing surveillance and reporting safeguards are designed to deter and detect possible manipulative behavior which might arise from listing and trading options on ETFs, including the Fund options.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. In this regard and as indicated above, the Exchange notes that the rule change is being

[35] *Id.*

[36] *See* Exchange Rule 402(i)(4).

[37] *See* Securities Exchange Act No. 101730 (November 25, 2024) 89 FR 95301 (December 2, 2024) (SR–SAPPHIRE–2024–38) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 402, Criteria for Underlying Securities, To List and Trade Options on the Fidelity Wise Origin Bitcoin Fund (the ''Fidelity Fund'') and the ARK 21 Shares Bitcoin ETF (the ''ARK 21 Fund'')).

[38] *See Id.*

proposed as a competitive response to the filing submitted by Cboe.[39]

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act as the Fund will be equally available to all market participants who wish to trade such options and will trade generally in the same manner as other options. The Exchange Rules that currently apply to the listing and trading of all options on ETFs on the Exchange, including, for example, Rules that govern listing criteria, expirations, exercise prices, minimum increments, margin requirements, customer accounts, and trading halt procedures will apply to the listing and trading of the Fund options on the Exchange in the same manner as they apply to other options on all other ETFs that are listed and traded on the Exchange. Also, and as stated above, the Exchange already lists options on other commodity-based securities.[40] Further, the Fund would need to satisfy the maintenance listing standards set forth in the Exchange Rules in the same manner as any other ETFs for the Exchange to continue listing options on them.

The Exchange does not believe that the proposal to list and trade options on the Fund will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the extent that the advent of the Fund options trading on the Exchange may make the Exchange a more attractive marketplace to market participants at other exchanges, such market participants are free to elect to become market participants on the Exchange. Additionally, other options exchanges are free to amend their listing rules, as applicable, to permit them to list and trade options on the Fund. The Exchange notes that listing and trading the Fund options on the Exchange will subject such options to transparent exchange-based rules as well as price discovery and liquidity, as opposed to alternatively trading such options in the OTC market.

The Exchange believes that the proposed rule change may relieve any burden on, or otherwise promote, competition, as it is designed to increase competition for order flow on the Exchange in a manner that is beneficial to investors by providing them with a lower-cost option to hedge their investment portfolios. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues that offer similar products. Ultimately, the Exchange believes that offering the Fund options for trading on the Exchange will promote competition by providing investors with an additional, relatively low-cost means to hedge their portfolios and meet their investment needs in connection with Bitcoin prices and Bitcoin-related products and positions on a listed options exchange.

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[41] and Rule 19b–4(f)(6) thereunder.[42] Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act[43] and subparagraph (f)(6) of Rule 19b–4 thereunder.[44]

A proposed rule change filed under Rule 19b–4(f)(6)[45] under the Act does not normally become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[46] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission previously approved the listing and trading of options on the VanEck Bitcoin Trust.[47] The Exchange has provided information regarding the underlying Fund, including, among other things, information regarding trading volume, the number of beneficial holders, and the average daily trading volume of the Fund. The proposal also establishes position and exercise limits for options on the Fund and provides information regarding the surveillance procedures that will apply to Fund options. The Commission believes that waiver of the operative delay could benefit investors by providing an additional venue for trading Fund options. Therefore, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposed rule change as operative upon filing.[48]

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–SAPPHIRE–2025–31 on the subject line.

[39] *See supra* note 5.

[40] *See* Exchange Rule 402(i)(4).

[41] 15 U.S.C. 78s(b)(3)(A)(iii).

[42] 17 CFR 240.19b–4(f)(6).

[43] 15 U.S.C. 78s(b)(3)(A)(iii).

[44] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change 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 the pre-filing requirement.

[45] 17 CFR 240.19b–4(f)(6).

[46] 17 CFR 240.19b–4(f)(6)(iii).

[47] *See* Securities Exchange Act Release No. 103569 (July 29, 2025) (Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 4, to Amend Rules 4.3, 4.20, and 8.30, to Allow the Exchange to List and Trade Options on the VanEck Bitcoin ETF) (SR–CBOE–2025–017).

[48] For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

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–SAPPHIRE–2025–31. 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 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–SAPPHIRE–2025–31 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[49]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–14765 Filed 8–4–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103603; File No. SR–CboeEDGA–2025–021]

Self-Regulatory Organizations; Cboe EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend its Fees Schedule To Increase the Monthly Fee for 10 Gb Physical Ports

July 31, 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 July 17, 2025, Cboe EDGA Exchange, Inc. (the ''Exchange'' or ''EDGA'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Cboe EDGA Exchange, Inc. (the ''Exchange'' or ''EDGA Equities'') proposes to amend its Fees Schedule. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website (*http://markets.cboe.com/us/equities/regulation/rule_filings/edga/*) and at the Exchange's Office of the Secretary.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend its fee schedule relating to physical connectivity fees.[3]

By way of background, a physical port is utilized by a Member or non-Member to connect to the Exchange at the data centers where the Exchange's servers are located. The Exchange currently assesses the following physical connectivity fees for Members and non-Members on a monthly basis: $2,500 per physical port for a 1 gigabit (''Gb'') circuit and $7,500 per physical port for a 10 Gb circuit. The Exchange proposes to increase the monthly fee for 10 Gb physical ports from $7,500 to $8,500 per port. The Exchange notes the proposed fee change better enables it to continue to maintain and improve its market technology and services and also notes that the proposed fee amount, even as amended, continues to be in line with, or even lower than, amounts assessed by other exchanges for similar connections.[4] The Exchange also notes that a single 10 Gb physical port can be used to access the Systems of the following Affiliate Exchanges: the Cboe BZX Exchange, Inc. (options and equities), Cboe BYX Exchange, Inc. (equities platform), Cboe EDGX Exchange, Inc. (options and equities), and Cboe C2 Exchange, Inc., (''Affiliate Exchanges'').[5] Notably, only one monthly fee currently (and will continue) to apply per 10 Gb physical port regardless of how many Affiliate Exchanges are accessed through that one port.[6]

2. *Statutory Basis*

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the ''Act'') and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of

[49] 17 CFR 200.30–3(a)(12), (59).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] The Exchange initially filed the proposed fee changes on July 3, 2023 (SR–CboeEDGA–2023–011). On September 1, 2023, the Exchange withdrew that filing and submitted SR–CboeEDGA–2023–015. On September 29, 2023, the Securities and Exchange Commission issued a Suspension of and Order Instituting Proceedings to Determine whether to Approve or Disapprove a Proposed Rule Change to Amend its Fees Schedule Related to Physical Port Fees (the ''OIP'') in anticipation of a possible U.S. government shutdown. On September 29, 2023, the Exchange filed the proposed fee change (SR–CboeEDGA–2023–016). On October 13, 2023, the Exchange withdrew that filing and submitted SR–CboeEDGA–2023–017. On December 12 2023, the Exchange withdrew that filing and submitted SR–CboeEDGA–2023–022. On February 9, 2024, the Exchange withdrew that filing and submitted SR–CboeEDGA–2024–006. On April 9, 2024, the Exchange withdrew that filing and submitted SR–CboeEDGA–2024–013. On June 7, 2024, the Exchange withdrew that filing and submitted SR–CboeEDGA–2024–022. On August 29, 2024, the Exchange withdrew that filing and submitted SR–CboeEDGA–2024–036. On October 25, 2024, the Exchange withdrew that filing and submitted SR–CboeEDGA–2024–043. On December 18, 2024, the Exchange withdrew that filing and submitted SR–CboeEDGA–2024–051. On February 14, 2025, the Exchange withdrew that filing and submitted SR–CboeEDGA–2025–004. On March 13, 2025, the Exchange withdrew that filing and submitted SR–CboeEDGA–2025–007. On May 16, 2025, the Exchange withdrew that filing and submitted SR–CboeEDGA–2025–013. On July 7, 2025, the Exchange withdrew that filing and submitted SR–CboeEDGA–2025–020. On July 17, 2025 the Exchange withdrew that filing and submitted this filing.

[4] *See e.g.,* The Nasdaq Stock Market LLC (''Nasdaq''), General 8, Connectivity to the Exchange. Nasdaq and its affiliated exchanges charge a monthly fee of $16,500 for each 10Gb Ultra fiber connection to the respective exchange. *See also* New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago Inc., NYSE National, Inc. Connectivity Fee Schedule, which provides that 10 Gb LX LCN Circuits (which are analogous to the Exchange's 10 Gb physical port) are assessed $22,000 per month, per port.

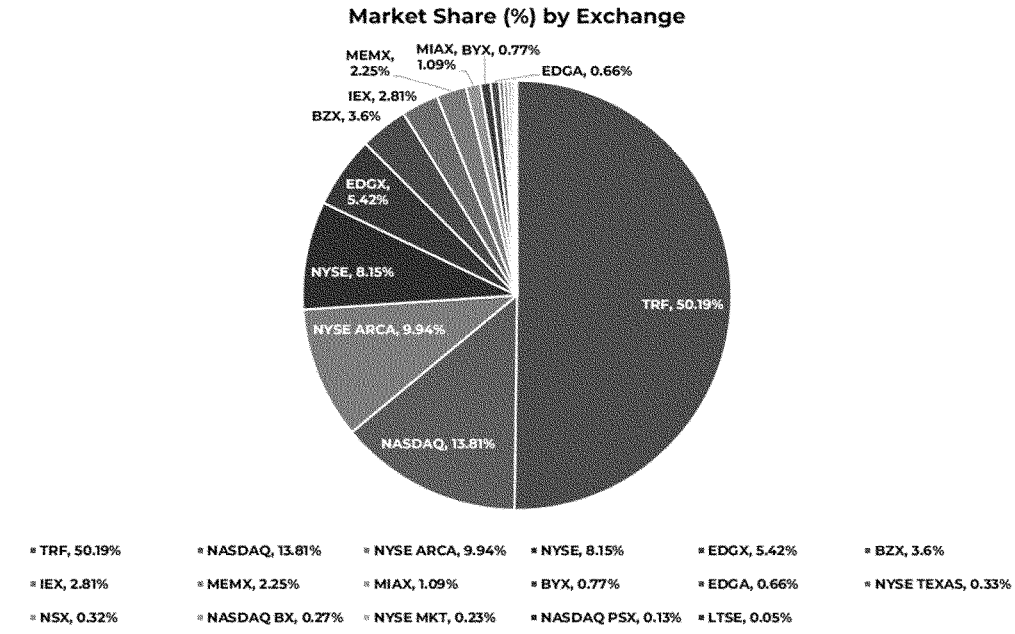
[5] The Affiliate Exchanges are also submitting contemporaneous identical rule filings.

[6] The Exchange notes that conversely, other exchange groups charge separate port fees for access to separate, but affiliated, exchanges. *See e.g.,* Securities and Exchange Release No. 99822 (March 21, 2024), 89 FR 21337 (March 27, 2024) (SR–MIAX–2024–016).

Section 6(b) of the Act.[7] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[8] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[9] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4)[10] of the Act, which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities. This belief is based on various factors as described below.

The Exchange believes the proposed fees are reasonable as they are lower than, the amounts assessed by equities exchanges for analogous market access connections and which were similarly adopted via the rule filing process and filed with the Commission. The Exchange further notes that other the exchanges that offer similar pricing for similar or the same connections have a comparable, or even lower, market share as the Exchange, as detailed further below. Indeed, the Exchange has reviewed the U.S. equities market share[11] for each of the sixteen equities markets utilizing total shares traded in 2025 through July 2, 2025, as set forth in the following graph:



More specifically, the Exchange notes that the proposed physical port fee of $8,500 per month, per physical port, is comparable to fees charged by at least three other exchanges with similar market share. Indeed, two of these exchanges—Nasdaq BX (''BX'') and Nasdaq PSX (''PSX'')—have less market share than EDGA Equities yet charge higher monthly fees for their competing products. These comparisons are summarized in Table 1:

TABLE—1

Exchange	Market share (%)	Monthly fee per port
EDGA Equities	0.66	Proposed $8,500 for each 10 Gb Physical Port Connection.
Nasdaq BX	0.27	$11,000 for each 10 Gbps Fiber Connection. $16,500 for each 10 Gbps Ultra Fiber Connection.
Nasdaq PSX	0.13	$11,000 for each 10 Gbps Fiber Connection. $16,500 for each 10 Gbps Ultra Fiber Connection.

[7] 15 U.S.C. 78f(b).

[8] 15 U.S.C. 78f(b)(5).

[9] *Id.*

[10] 15 U.S.C. 78f(b)(4).

[11] Market share is the percentage of volume on a particular exchange relative to the total volume across all exchanges and indicates the amount of order flow directed to that exchange. High levels of market share enhance the value of trading and ports. The Exchange's calculation of market share also excludes auction volume on both NYSE and Nasdaq, as the benefits of NYSE's and Nasdaq's comparable access connections (*e.g.,* reduced latency) are not realized for transactions executed in their opening and closing auctions, which are instead executed at specific, codified times of the trading day. Accordingly, the Exchange believes that traded volume in NYSE's and Nasdaq's opening and closing auctions are not relevant for comparative purposes.

The Exchange believes its proposal is reasonable as it reflects a moderate increase in physical connectivity fees for 10 Gb physical ports and its offering. As amended, the proposed 10 Gb physical port fee continues to be less than the fee charged by both BX [12] and PSX,[13] even though EDGA Equities maintains greater market share than BX and PSX, both individually and collectively. Specifically, despite having nearly 5x more market share (5.42%) than that of BX (0.27%) and PSX (0.13%), EDGA Equities' proposed $8500 per month for each 10 Gb physical port connection is still $2500 less than BX's and PSX's 10Gbps fiber connection fee ($11,000), and $8000 less than BX's and PSX's 10 Gbps Ultra Fiber connection fee ($16,500). Furthermore, by purchasing one physical port on EDGA Equities, a Member gains access to each of EDGA Equities' Affiliate Exchanges (for both equities and options), providing them connectivity to nearly 11% of the equities market.[14] While BX and PSX connectivity provide similar access to Nasdaq Stock Market, LLC's (''Nasdaq'') other markets, a 10 Gb physical port fee on EDGA Equities is still comparatively lower than that assessed for access to BX, PSX, and Nasdaq.[15] .

TABLE—2

Exchange	Market share (%)	Monthly fee per port
EDGA Equities	0.66	Proposed $8500 for each 10 Gb Physical Port Connection.
MIAX	1.09	$8,000 for each 10 Gigabit ULL Connection.

The Exchange also acknowledges the equivalent offering from MIAX Pearl (''MIAX'') which is $8,000 per port per month for its 10 Gigabit ULL connection.[16] While the Exchange's proposed 10 Gb physical port fee of $8500 is $500 more than that of MIAX and MIAX maintains greater market share than BYX, the Exchange again reiterates that unlike MIAX, a single physical 10 Gb physical port connection offers Exchange Members access to each of EDGA Equities' Affiliate Exchanges (for both equities and options) and the monthly price does not change based on the number of exchanges a Member is connected to. In this case, examining only the Exchange's equities Affiliate Exchanges, as demonstrated in the chart above, a participant could purchase a single physical port from the Exchange and access nearly 11% of the U.S. equities market, in contrast to purchasing a single port from MIAX Pearl and accessing only around 1% of the U.S. equities market.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed fee change will not impact intramarket competition because it will apply to all similarly situated Members equally (*i.e.,* all market participants that choose to purchase the 10 Gb physical port). Additionally, the Exchange does not believe its proposed pricing will impose a barrier to entry to smaller participants and notes that its proposed connectivity pricing is associated with relative usage of the various market participants. For example, market participants with modest capacity needs can continue to buy the less expensive 1 Gb physical port (which cost is not changing) or may choose to obtain access via a third-party re-seller. While pricing may be increased for the larger capacity physical ports, such options provide far more capacity and are purchased by those that consume more resources from the network. Accordingly, the proposed connectivity fees do not favor certain categories of market participants in a manner that would impose a burden on competition; rather, the allocation reflects the network resources consumed by the various size of market participants—lowest bandwidth consuming members pay the least, and highest bandwidth consuming members pays the most.

The proposed fee change also does not impose a burden on competition or on other Self-Regulatory Organizations that is not necessary or appropriate. As described above, in establishing its proposed fee change the Exchange compared its proposed fee increase to that of competitor exchanges' analogous offerings. As noted above, the proposed fee of $8500 is less than that of both Nasdaq BX and Nasdaq PSX, despite both Nasdaq markets maintaining nearly 5x less market share than EDGA Equities. Moreover, while EDGA Equities' proposed $8500 10 Gb physical port fee is $500 more than MIAX's $8000 per month 10 gigabit ULL connection fee, the Exchange again reiterates that the purchase of a single 10 Gb physical port connection provides EDGA Equities Members with access to all of EDGA Equities' Affiliate Exchanges (both equities and options); *i.e.,* a single 10 Gb physical port connection provides EDGA Equities Members with access to nearly 11% of the U.S. equities market, while a single 10 gigabit ULL connection on MIAX provides a MIAX user with access to less than 2% of the U.S. equities market.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act [17] and paragraph (f) of Rule 19b–4 [18] thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule

[12] *See* Nasdaq BX (''BX'') rulebook, General 8, Connectivity to the Exchange, available at: *https://listingcenter.nasdaq.com/rulebook/BX/rules/BX%20General%208/Fiber%20Connection%20to%20the%20Exchange/EQUALS/#position.*

[13] *See* Nasdaq PSX (''PSX'') rulebook, General 8, Connectivity to the Exchange, available at: *https://listingcenter.nasdaq.com/rulebook/phlx/rules/Phlx%20General%208.*

[14] 0.77% (BYX) + 3.60% (BZX) + 5.42% (EDGX) + 0.66% (EDGA) = 10.45%.

[15] For $8500 per month, BYX Members gain access to approximately 11% of the market. For $16,500 a month, Nasdaq members gain access to approximately 14.21% of the market: 13.21% (Nasdaq) + .27% (BX) + .13% (PSX) = 14.21%.

[16] *See* MIAX Pearl Equities Fee Schedule.

[17] 15 U.S.C. 78s(b)(3)(A).

[18] 17 CFR 240.19b–4(f).

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–CboeEDGA–2025–021 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–CboeEDGA–2025–021. 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 filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR–CboeEDGA–2025–021 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[19]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–14754 Filed 8–4–25; 8:45 am]

BILLING CODE 8011–01–P

[19] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103604; File No. 10–249]

Texas Stock Exchange LLC; Notice of Filing of Amendment No. 2 to an Application for Registration as a National Securities Exchange Under Section 6 of the Securities Exchange Act of 1934

July 31, 2025.

On January 31, 2025, Texas Stock Exchange LLC (''TXSE'') filed with the Securities and Exchange Commission (''Commission'') a Form 1 application under the Securities Exchange Act of 1934 (''Exchange Act''), seeking registration as a national securities exchange under Section 6 of the Exchange Act.[1] On April 2, 2025, TXSE submitted Amendment No. 1 to its Form 1.[2] Notice of the amended application was published for comment in the **Federal Register** on April 10, 2025.[3] The Commission has received comments on the Form 1.[4] On July 9, 2025, the Commission instituted proceedings pursuant to Section 19(a)(1)(B) of the Exchange Act[5] to determine whether to grant or deny TXSE's application for registration as a national securities exchange under Section 6 of the Exchange Act.[6] On July 29, 2025, TXSE filed a second amendment to its Form 1 application (''Amendment No. 2'').[7] The Commission is publishing this notice in order to solicit views of interested persons on TXSE's Form 1, as amended.

I. Description of TXSE

TXSE proposes to operate a fully automated limit order book for orders to buy and sell securities with a continuous automated matching function. TXSE would execute orders in price/time priority, and would ''rank equally priced trading interest within the System in time priority in the following order: (i) The portion of a Limit Order with a Displayed instruction (including Market Maker Peg Orders); (ii) Limit Orders with a Non-Displayed instruction (including the Reserve Quantity of Limit Orders); and (iii) Orders with a Peg instruction (*i.e.,* Primary Peg Orders, Midpoint Peg Orders and Market Peg Orders), ranked in priority based upon the time such orders were initially received by the System.'' [8] TXSE would not maintain a physical trading floor. Liquidity would be derived from orders to buy and orders to sell submitted to TXSE electronically by its registered broker-dealer members from remote locations. TXSE proposes to have one class of membership open to registered broker-dealers, and also proposes to allow members to register under TXSE rules as market makers on TXSE and be subject to certain specified requirements and obligations set forth in TXSE's proposed rules. TXSE would be a subsidiary of its parent company, TXSE Group Inc. (''TXSE Group''), which would directly hold 100% of the equity of TXSE. In turn, TXSE Group would be owned by a group of investors that are party to a stockholders' agreement (''Stockholders' Agreement''). The Stockholders' Agreement would provide a 40% cap on beneficial ownership of stock of TXSE Group by any person (alone or together with its related persons) and would further cap beneficial ownership of TXSE Group by members of TXSE at 20%.

II. Amendment No. 2 to TXSE's Form 1

In Amendment No. 2, TXSE proposes to revise Exhibits A–3, B–1, C, D, D–1, E, E–1, F–1, F–2, F–6, F–7, F–8, F–10, F–16, H–6, H–14, H–17, J, and K principally to: (1) reflect that TXSE will not offer any outbound routing functionality and to conform its rules relating to trading halts to the rules of another self-regulatory organization; (2) reflect updates regarding its affiliates; (3) make technical and conforming changes to certain membership related-forms and listing forms, including the corporate governance certification form for issuers; and (4) update the list of shareholders indirectly owning 5% or more of TXSE. In Amendment No. 2, TXSE also proposes to add Exhibits D–2, D–3, D–4, D–5, and D–6 to provide unaudited financial statements for certain of TXSE's affiliates.

III. Request for Written Comment

The Commission requests that interested persons provide written views and data with respect to TXSE's

[1] 15 U.S.C. 78f.

[2] TXSE's Form 1 as amended, including all its exhibits, is available at: *https://www.sec.gov/rules-regulations/other-commission-orders-notices-information/txse-form-1.*

[3] *See* Securities Exchange Act Release No. 102773 (Apr. 4, 2025), 90 FR 15375 (Apr. 10, 2025).

[4] The public comment file for TXSE's Form 1 (File No. 10–249) is available on the Commission's website at: *https://www.sec.gov/comments/10-249/10-249.htm.*

[5] 15 U.S.C. 78s(a)(1)(B).

[6] *See* Securities Exchange Act Release No. 103422 (July 9, 2025), 90 FR 31360 (July 14, 2025) (''OIP'').

[7] Amendment No. 2 is available on the Commission's website at: *https://www.sec.gov/rules-regulations/other-commission-orders-notices-information/txse-form-1.*

[8] Proposed TXSE Rule 11.008. Capitalized terms used but not defined herein have the meanings specified in Exhibit B–1, as amended.

Form 1, as amended. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (*https://www.sec.gov/rules/other.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include file number 10–249 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 10–249. 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/other.shtml*). 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 10–249 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[9]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–14755 Filed 8–4–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103602; File No. SR–FICC–2025–017]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing of Proposed Rule Change To Revise the Definition of the Backtesting Charge

July 31, 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 July 23, 2025, Fixed Income Clearing Corporation (''FICC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II and III below, which Items have been prepared by the clearing agency. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of modifications to FICC's Government Securities Division (''GSD'') Rulebook (''GSD Rules'')[3] that would revise the definition of the Backtesting Charge to (1) clarify that the calculation of the backtesting coverage and any applicable Backtesting Charge does not include any amounts already collected as a Backtesting Charge; and (2) revise the calculation of both the backtesting coverage and any applicable Backtesting Charge to exclude all other margin amounts already collected intraday.

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the clearing agency included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The clearing agency has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

FICC is proposing to revise the definition of Backtesting Charge in the GSD Rules to clarify the current calculation of that charge and adopt a change to the calculation.

First, the proposed changes would clarify in the GSD Rules that the backtesting coverage calculated in connection with the Backtesting Charge and the calculation of that charge for a Netting Member or Segregated Indirect Participant do not include amounts collected from that Netting Member or Segregated Indirect Participant as a Backtesting Charge. This change, and other drafting changes to the definition of the Backtesting Charge described below, would reflect FICC's current practice and provide Members with a better understanding of the calculation of this margin component.

Second, the proposed changes would revise the calculation of the backtesting coverage calculated in connection with the Backtesting Charge and the calculation of that charge by excluding amounts already collected intraday from the Netting Member or Segregated Indirect Participant as another component of the Required Fund Deposit or Segregated Customer Margin, as applicable. This proposed change would remove from these calculations an assumption that FICC would collect all intraday margin requirements before the Netting Member or Segregated Indirect Participant defaults. Therefore, the proposal would enhance FICC's ability to produce margin levels commensurate with the risks presented by its Members, in compliance with the requirements of Rule 17ad–22(e)(6)(i) under the Act.[4]

Background

FICC, through GSD, serves as a central counterparty and provider of clearance and settlement services for transactions in the U.S. government securities, as well as repurchase and reverse repurchase transactions involving U.S. government securities.[5] As part of its market risk management strategy,[6] FICC manages its credit exposure to Members by determining the appropriate Required Fund Deposit (or Segregated Customer Margin, when applicable) to the Clearing Fund and monitoring its sufficiency, as provided for in the GSD Rules.[7] Required Fund Deposits and Segregated Customer Margin deposits serve as margin.

The objective of a Member's Required Fund Deposits is to mitigate potential losses to FICC associated with liquidating a Member's portfolio in the event FICC ceases to act for that Member (hereinafter referred to as a ''default'').[8]

[9] 17 CFR 200.30–3(a)(71)(ii).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Terms not defined herein are defined in the GSD Rules, *available at www.dtcc.com/legal/rules-and-procedures.*

[4] 17 CFR 240.17ad–22(e)(6)(i).

[5] GSD also clears and settles certain transactions on securities issued or guaranteed by U.S. government agencies and government sponsored enterprises.

[6] FICC's market risk management strategy is designed to comply with Rule 17ad–22(e)(4) under the Act, where these risks are referred to as ''credit risks.'' 17 CFR 240.17ad–22(e)(4).

[7] *See* GSD Rule 4 (Clearing Fund and Loss Allocation), *supra* note 3. Segregated Customer Margin is, generally, the margin that an Agent Clearing Member or Sponsoring Member is required to deposit with FICC to support the obligations of its Segregated Indirect Participants. *See* GSD Rule 1 (Definitions), *id.*

[8] The GSD Rules identify when FICC may cease to act for a Member and the types of actions FICC may take. For example, FICC may suspend a firm's membership with FICC, or prohibit or limit a Member's access to FICC's services, in the event that Member defaults on a financial or other

The aggregate amount of all Members' Required Fund Deposits constitutes the Clearing Fund, and FICC would access the Clearing Fund should a defaulting Member's own Required Fund Deposit be insufficient to satisfy losses to FICC caused by the liquidation of that Member's portfolio.

Pursuant to the GSD Rules, each Member's Required Fund Deposit amount and each Segregated Indirect Participant's Segregated Customer Margin amount consists of a number of applicable components, each of which is calculated to address specific risks faced by FICC, as identified within the Margin Component Schedule in the GSD Rules.[9] These components include, as applicable, the VaR Charge, Blackout Period Exposure Adjustment, Backtesting Charge, Holiday Charge, Intraday Supplemental Fund Deposit, Margin Liquidity Adjustment Charge, and Portfolio Differential Charge.[10]

FICC employs daily backtesting to determine the adequacy of each Member's Required Fund Deposit and Segregated Indirect Participant's Segregated Customer Margin. Backtesting is performed both for internal reporting and in connection with the calculation of the Backtesting Charge margin component. Through this backtesting, FICC compares the Required Fund Deposit [11] for each Member with the simulated liquidation gains/losses using the actual positions in the Member's portfolio, and the actual historical security returns. FICC investigates the cause(s) of any backtesting deficiencies. As a part of this investigation, FICC pays particular attention to Members with backtesting deficiencies that bring the results for that Member below its 99 percent confidence target (*i.e.,* greater than two backtesting deficiency days in a rolling 12-month period) to determine if there is an identifiable cause of repeat backtesting deficiencies. FICC also evaluates whether multiple Members may experience backtesting deficiencies for the same underlying reason.

The Backtesting Charge is an additional charge that may be added to a Member's Required Fund Deposit or a Segregated Indirect Participant's Segregated Customer Margin at the start of the day and/or in an intraday margin collection.[12] As described in the Margin Component Schedule in the GSD Rules, FICC may assess a Backtesting Charge if a Member or Segregated Indirect Participant has a 12-month trailing backtesting coverage below the 99 percent backtesting coverage target. If assessed, the Backtesting Charge is generally equal to the Member's or Segregated Indirect Participant's third largest deficiency that occurred during the previous 12 months.[13] The GSD Rules provide FICC with the discretion to adjust the Backtesting Charge amount based on its assessment of the impact of other circumstances on the likelihood of, and estimated size of, future backtesting deficiencies for a Netting Member or Segregated Indirect Participant. Based on its assessment of the impact of these circumstances, FICC may, in its discretion, adjust the Backtesting Charge for a Netting Member or Segregated Indirect Participant in an amount that FICC determines to be more appropriate for maintaining such firm's backtesting results above the 99 percent coverage threshold (including a reasonable buffer).[14]

The Backtesting Charge may be assessed on a Netting Member's or Segregated Indirect Participant's start of day portfolio (currently referred to in the GSD Rules as the ''Regular Backtesting Charge'') or on a Netting Member's or Segregated Indirect Participant's intraday portfolio (currently referred to in the GSD Rules as the ''Intraday Backtesting Charge''). FICC calculates the Backtesting Charge at least monthly and, based on those calculations, may either impose a new Backtesting Charge or remove an existing Backtesting Charge, or FICC may either increase or decrease an existing Backtesting Charge as necessary to maintain its target backtesting coverage.

Proposed Changes to the Definition of the Backtesting Charge

FICC is proposing to make two changes to the definition of Backtesting Charge in the GSD Rules. The proposed changes would clarify FICC's existing practices in calculating this charge and reflect a change to that calculation.

First, the proposed rule changes would clarify FICC's current practices with respect to the Backtesting Charge. These changes would state that, in calculating a Netting Member's or Segregated Indirect Participant's backtesting coverage (for purposes of calculating the Backtesting Charge) and in calculating any applicable Backtesting Charge, FICC does not include amounts already collected as a Backtesting Charge from that Netting Member or Segregated Indirect Participant. As described above, the objective of the Backtesting Charge is to increase Required Fund Deposits for Netting Members and Segregated Indirect Participants that are likely to experience backtesting deficiencies by an amount sufficient to maintain such firm's backtesting coverage above the 99 percent confidence threshold. By excluding amounts already collected as a Backtesting Charge from this calculation, FICC is able to more accurately evaluate a firm's historical backtesting deficiencies to determine if any adjustment to its Backtesting Charge is appropriate.

FICC is also proposing to clarify in the definition of Backtesting Charge that the backtesting coverage calculation described therein is the coverage that is calculated for purposes of calculating the Backtesting Charge. FICC also performs backtesting for internal and regulatory reporting or other risk management purposes that may use a different methodology than the backtesting that is performed for purposes of calculating and assessing a Backtesting Charge. For example, FICC may include or exclude amounts already collected as a Backtesting Charge or as another margin component on an intraday basis in determining backtesting coverage for other risk management purposes. FICC's regulatory backtesting does not directly impact its Members and, therefore, is not described in the GSD Rules. However, because the two methodologies may differ, the proposed change would ensure no confusion between the different coverage calculations.

The proposed changes would also remove the defined terms for Intraday Backtesting Charge and Regular Backtesting Charge from the definition of the Backtesting Charge. The definition would continue to state that the Backtesting Charges may be calculated on both the start of day and intraday portfolio of Netting Members and Segregated Indirect Participants. However, because the Backtesting Charge that is calculated and collected at the start of day and intraday

obligation to FICC. *See* GSD Rule 21 (Restrictions on Access to Services), *id.*

[9] *See* GSD Rules (Margin Component Schedule), *id.*

[10] *Id.*

[11] For backtesting comparisons, FICC uses the Required Fund Deposit amount without regard to the actual collateral posted by the Member.

[12] GSD Rules (Margin Component Schedule), *supra* note 3.

[13] *Id.*

[14] Such circumstances could include, for example, material differences in the three largest backtesting deficiencies observed over the prior 12-month period, variability in the net settlement activity after the collection of the Member's intraday Required Fund Deposit, seasonality in observed backtesting deficiencies and observed market price volatility in excess of the Member's historical VaR Charge(s).

otherwise are identical, the two separate defined terms are not needed.

Together, these clarifications to the definition of Backtesting Charge would reflect FICC's current practice and provide Members with a better understanding of the calculation of this margin component.

Second, the proposed changes would revise the GSD Rules by excluding all other amounts that FICC has collected from a Netting Member or Segregated Indirect Participant intraday from the calculation of a Netting Member's or Segregated Indirect Participant's backtesting coverage (for purposes of calculating the Backtesting Charge) and in calculating any applicable Backtesting Charge. The rationale for this proposed change is the same as the rationale for excluding amounts already collected as a Backtesting Charge from the same calculations, as described above. Specifically, by excluding all margin resources that were collected intraday, the proposed change would make it less likely for FICC to undercount potential backtesting deficiencies. This change would remove from these calculations an assumption that FICC would collect all intraday margin requirements before the Netting Member or Segregated Indirect Participant default, because this assumption could underestimate the potential losses that FICC may experience if a Netting Member or Segregated Indirect Participant defaults prior to funding its intraday margin calls. Therefore, the proposal would enhance FICC's ability to produce margin levels commensurate with the risks presented by its Members, in compliance with the requirements of Rule 17ad–22(e)(6)(i) under the Act.[15]

Proposed GSD Rule Changes

FICC would modify the definition of Backtesting Charge in the Margin Component Schedule of the GSD Rules by removing the defined terms for ''Intraday Backtesting Charge'' and ''Regular Backtesting Charge''. The proposed changes would also modify the description of the 12-month backtesting coverage that is used in determining when a Backtesting Charge may apply to a Netting Member or Segregated Indirect Participant by stating ''as such [backtesting] coverage is calculated for purposes of calculating the Backtesting Charge''.

Finally, the proposed changes would include a paragraph in the definition of Backtesting Charge that states ''[i]n calculating a Netting Member's or Segregated Indirect Participant's backtesting coverage (for purposes of calculating the Backtesting Charge) and in calculating any applicable Backtesting Charge, the Corporation would not include amounts already collected from that Netting Member or Segregated Indirect Participant as (i) a Backtesting Charge, and (ii) other components of the Required Fund Deposit or Segregated Customer Margin, as applicable, on an intraday basis pursuant to this Margin Component Schedule.'' This proposed change would both clarify FICC's existing practice and reflect the proposed change to its calculation methodology described herein.

Impact Study

FICC performed an impact study on Backtesting Charges collected for the period beginning June 3, 2024, through May 30, 2025 (''Impact Study Period'). If the proposed change to exclude amounts collected intraday had been in place during the Impact Study Period, the aggregate average daily Backtesting Charges would have increased by approximately $166.61MM or 121.2% for the start of the day margin cycle and $137.41MM or 90.3% for the intraday margin cycle at GSD. The impact study also indicated that if the proposed change had been in place, overall margin would have increased by approximately $166.61MM or 0.30% for the start of the day margin cycle and $137.41MM or 0.25% for the intraday margin cycle at GSD during the Impact Study Period.

During the Impact Study Period, 29 Netting Members would have been impacted by the proposed changes to the charges applied to the start of the day margin cycle, and 19 Netting Members would have been impacted by the proposed changes to the charges applied to the intraday margin cycle.[16] On average, at the impacted Member level, the proposed changes would have increased the Backtesting Charge applied during the start of the day margin cycle by approximately $5.95MM or 8.6% of each impacted Netting Member's overall margin requirement, and by approximately $7.61MM or 17.4% of each impacted Netting Member's overall margin requirement for the Backtesting Charge applied during the intraday margin cycle.

The largest average percentage and dollar increases in the start of the day margin requirement for any Netting Member would have been approximately 91.8%, or $97.26MM (0.16% of the Netting Member's average Net Capital).[17] The largest average percentage increase in the intraday margin requirement for any Netting Member would have been approximately 58.9%, or $6.09MM (0.01% of the Netting Member's average Net Capital). The largest average dollar increase in the intraday margin requirement for any Netting Member would have been approximately $46.52MM, or 48.1% (16.21% of the Netting Member's average Net Capital).

Implementation Timeframe

FICC would implement the proposed rule change by no later than 60 Business Days after approval by the Commission. FICC would announce the effective date of the proposed changes by an Important Notice posted to its website.

2. Statutory Basis

FICC believes the proposed rule changes are consistent with the requirements of the Act and the rules and regulations thereunder applicable to a registered clearing agency. In particular, FICC believes the proposed rule changes are consistent with Section 17A(b)(3)(F) of the Act,[18] and Rules 17ad–22(e)(6)(i) and (e)(23)(ii), promulgated under the Act,[19] for the reasons described below.

Section 17A(b)(3)(F) of the Act requires that the GSD Rules be designed to, among other things, promote the prompt and accurate clearance and settlement of securities transactions.[20] The proposed rule changes would provide Members with a clearer understanding of the methodology used to calculate the Backtesting Charge by including in the GSD Rules a clear description of the exclusion of both Backtesting Charges and other intraday margin components from that methodology. Members would be better able to anticipate their risk management obligations to FICC and, therefore, manage the risks their clearing activity presents to FICC when the GSD Rules are clearer and more transparent regarding the margin calculation methodology. FICC believes this result would promote the prompt and accurate clearance and settlement of securities transactions and, as such, the proposed changes would be consistent with Section 17A(b)(3)(F) of the Act.[21]

[15] 17 CFR 240.17ad–22(e)(6)(i).

[16] FICC did not have any Segregated Indirect Participants during the Impact Study Period.

[17] The term ''Net Capital'' means, as of a particular date, the amount equal to the net capital of a broker or dealer as defined in 17 CFR 240.15c3–1(c)(2), or any successor rule or regulation thereto. *See* GSD Rule 1 (Definitions), *supra* note 3.

[18] 15 U.S.C. 78q–1(b)(3)(F).

[19] 17 CFR 240.17ad–22(e)(6)(i) and (e)(23)(ii).

[20] 15 U.S.C. 78q–1(b)(3)(F).

[21] *Id.*

Rule 17ad–22(e)(6)(i) under the Act requires, in part, that FICC establish, implement, maintain and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that, at a minimum, considers, and produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market.[22] FICC is proposing to enhance the calculation methodology of the backtesting coverage used for purposes of calculating the Backtesting Charge and the calculation of the Backtesting Charge by excluding from those calculations other components of the Required Fund Deposit or Segregated Customer Margin, as applicable, that had been collected on an intraday basis. This revision to the calculation methodology would remove an assumption that FICC's Netting Members or Segregated Indirect Participants would only default after they had met those intraday margin requirements. In this way, the revised calculation methodology for the backtesting coverage and Backtesting Charge would better cover FICC's credit exposures to these participants, consistent with the requirements of Rule 17ad–22(e)(6)(i).[23]

Rule 17ad–22(e)(23)(ii) under the Act requires that FICC establish, implement, maintain and enforce written policies and procedures reasonably designed to provide for sufficient information to enable participants to identify and evaluate the risks, fees, and other material costs they incur by participating in the covered clearing agency.[24] The proposed rule change would enhance the definition of the Backtesting Charge by providing Members with a better understanding of the calculation methodology utilized for both the relevant backtesting coverage and the Backtesting Charge. The proposed rule change would also make revisions to that definition by removing unnecessary defined terms for ''Intraday Backtesting Charge'' and ''Regular Backtesting Charge'' in order to simplify the description of the Backtesting Charge. Finally, the proposed rule change would include additional clarification that the backtesting coverage referred to in the definition is the coverage that is a calculation for purposes of calculating the Backtesting Charge. These changes would collectively simplify the definition of the Backtesting Charge and provide Members with additional information regarding the related margin requirements. In this way, the proposal would enhance Members' ability to evaluate the risks and material costs they may incur by participating in FICC and, as such, FICC believes the proposed changes are consistent with the requirements of Rule 17ad–22(e)(23)(ii).[25]

(B) Clearing Agency's Statement on Burden on Competition

Section 17A(b)(3)(I) of Act requires that the rules of a clearing agency do not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.[26] FICC does not believe the proposed rule change would present any burden or have a material impact on competition.

First, the proposed changes are designed to ensure that the GSD Rules remain transparent, accurate and clear. The proposal would accomplish this by providing a clearer description of the calculation of the backtesting coverage and the Backtesting Charge, removing unnecessary defined terms for ''Intraday Backtesting Charge'' and ''Regular Backtesting Charge'' and clarifying in the GSD Rules that the backtesting coverage referenced therein is the coverage utilized in connection with calculating the Backtesting Charge. These proposed changes would not have an impact on competition.

Second, the proposed changes are intended to facilitate FICC's compliance with the requirements of the Act and the rules and regulations thereunder applicable to a registered clearing agency. Specifically, the proposal would enhance the calculation of the backtesting coverage and Backtesting Charge to exclude additional components of the Required Fund Deposit or Segregated Customer Margin, as applicable, that had been collected on an intraday basis. This proposed change would remove an assumption that FICC's Netting Members or Segregated Indirect Participants would only default after they had met those intraday margin requirements. While this change could result in an increase to Members' Backtesting Charges, when such charges are applicable, the change would apply equally to all Members and would not inhibit access to FICC's services or favor any particular Member over another. Furthermore, the proposed enhancement would result in a calculation of the backtesting coverage and Backtesting Charge that would better cover FICC's credit exposures to its Members and, as such, FICC believes this proposed change is necessary and appropriate to facilitate its compliance with requirements of Rule 17ad–22(e)(6)(i) under the Act.[27] Therefore, FICC does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

FICC has not received or solicited any written comments relating to this proposal. If any additional written comments are received, they will be publicly filed as an Exhibit 2 to this filing, as required by Form 19b–4 and the General Instructions thereto.

Persons submitting comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b–4, the Commission does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on how to submit comments, *available at www.sec.gov/rules-regulations/how-submit-comment.* General questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the SEC's Division of Trading and Markets at *tradingandmarkets@sec.gov* or 202–551–5777.

FICC reserves the right to not respond to any comments received.

III. Date of Effectiveness of the Proposed Rule Change, and Timing for Commission Action

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve or disapprove such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

[22] 17 CFR 240.17ad–22(e)(6)(i).

[23] *Id.*

[24] 17 CFR 240.17ad–22(e)(23)(ii).

[25] *Id.*

[26] 15 U.S.C. 78q–1(b)(3)(I).

[27] 17 CFR 240.17ad–22(e)(6)(i).

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–FICC–2025–017 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

All submissions should refer to file number SR–FICC–2025–017. 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 filing will be available for inspection and copying at the principal office of FICC and on DTCC's website (*www.dtcc.com/legal/sec-rule-filings*). Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to File Number SR–FICC–2025–017 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[28]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–14753 Filed 8–4–25; 8:45 am]

BILLING CODE 8011–01–P

[28] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103601; File No. SR–ICC–2025–010]

Self-Regulatory Organizations; ICE Clear Credit LLC; Order Approving Proposed Rule Change Relating to ICC's Clearing Participant Default Management Procedures & ICC Clearing Rules

July 31, 2025.

I. Introduction

On June 3, 2025, ICE Clear Credit LLC (''ICC'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] a proposed rule change to revise its Clearing Participant Default Management Procedures (the ''Default Management Procedures'') and the ICC Clearing Rules (the ''Rules'') related to ICC Clearing Participant (''CP'') default management (the ''Proposed Rule Change''). The Proposed Rule Change was published for comment in the **Federal Register** on June 20, 2025.[3] The Commission has not received any comments on the Proposed Rule Change. For the reasons discussed below, the Commission is approving the Proposed Rule Change.

II. Description of the Proposed Rule Change

ICC is registered with the Commission as a clearing agency for the purpose of clearing CDS contracts for its Clearing Participants (''CPs'').[4] ICC is a central counterparty, which means that it interposes itself as the buyer to every seller and the seller to every buyer for these types of financial transactions.[5] As such, ICC is obligated to perform on the contracts it clears, should a CP default. Accordingly, ICC has a default management process to determine if a CP is in default of its obligations to ICC under the Rules, and to close out the defaulting CP's portfolio as needed.

ICC proposes to amend (i) its Default Management Procedures, which describe how ICC determines if a CP has defaulted and how ICC closes out the defaulting CP's portfolio, and (ii) its Rules. Specifically, ICC proposes to (i) remove Direct Liquidation [6] transactions as both a hedging and liquidation mechanism; (ii) update ICC's position porting functionality, by replacing its manual Porting Tool process with an automated Default Management System (''DMS'') porting functionality; and (iii) make general updates and clarifications.

A. Removal of Direct Liquidation Transactions

ICC states that it is proposing to remove Direct Liquidation transactions as a hedging and liquidation mechanism, as such transactions are no longer necessary or desirable because such functionality is now fully available through ICC's DMS hedge and liquidation auction capabilities.[7]

ICC currently has the option to perform Direct Liquidation transactions to liquidate a CP's remaining default portfolio. Current Section 8.6 of the Default Management Procedures states that although the preferred method for liquidating the Remaining Default Portfolio is via auction, ICC's Risk Department may, in consultation with the CDS Default Committee, decide to execute bilateral Direct Liquidation transactions in the market to liquidate positions. For liquidating a defaulting CP's portfolio, ICC states that the automated liquidation auction capabilities of the DMS offer a more efficient and transparent approach to liquidating a defaulting CP's portfolio as compared to Direct Liquidation transactions. As a result, ICC states that the DMS liquidation auction process has superseded the need for ICC to maintain the capability to directly execute bilateral Direct Liquidation transactions.[8]

Similarly, for hedging a defaulting CP's portfolio, the current Default Management Procedures include the option for the direct execution of Initial Cover Transactions. Current Section 8.4 of the Default Management Procedures notes that the preferred method of executing Initial Cover Transactions is by way of an auction, as described in Section 8.3 of the Default Management Procedures. ICC proposes to remove

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Securities Exchange Act Release No. 103266 (Jun. 16, 2025), 90 FR 26360 (Jun. 20, 2025) (File No. SR–ICC–2025–010) (''Notice'').

[4] Capitalized terms not otherwise defined herein have the meanings assigned to them in ICC's Treasury Policy or, if not defined therein, the Rules. The Rules are available at *https://www.ice.com/clear-credit/regulation.*

[5] Because it acts as a central counterparty, ICC is a ''covered clearing agency'' as defined in Rule 17ad–22(a). Rule 17ad–22(a) defines ''covered clearing agency'' as a ''registered clearing agency that provides the services of a central counterparty or central securities depository.'' 17 CFR 240.17ad–22(a).

[6] Direct Liquidation is defined in Rule 20–605(d)(v), but in general means direct transactions with market participants.

[7] Notice, 90 FR at 26360.

[8] Notice, 90 FR at 26360.

Direct Liquidation transactions in the context of hedging a defaulting CP's portfolio. ICC states that the automated hedge auction capabilities of the DMS offer a more efficient and transparent approach to hedging a defaulting CP's portfolio as compared to the direct execution of an Initial Cover Transaction.[9] As a result, ICC states that the DMS hedge auction process has superseded the need for ICC to maintain the capability to directly execute bilateral Initial Cover Transactions.

In summary, ICC proposes the following changes to its Default Management Procedures:

1. remove ''Direct Liquidation'' as a defined term in Section 2;

2. remove ''Direct Liquidation'' as a Standard Default Management Action [10] in Section 3;

3. remove language from Section 6.5.2 that describes the operational setup necessary to execute hedging and/or liquidation transactions directly with CP counterparties, because the operational setup will no longer be necessary;

4. remove Direct Liquidation transactions from the list of items that the CDS Default Committee [11] may be consulted on in Section 7;

5. remove Direct Liquidation transactions in the context of liquidating a defaulting CP's portfolio from the Default Management Procedures, by deleting Section 8.6 in its entirety; [12]

6. remove direct execution of transactions in the context of hedging a defaulting CP's portfolio from the Default Management Procedures by removing Section 8.4. in its entirety; [13] and

7. remove a reference to executing Initial Cover Transactions with market participants in Section 7.3 that is no longer necessary, given the removal of the option for the direct execution of Initial Cover Transactions.

ICC also proposes to make analogous changes to the Rules to remove Direct Liquidation transactions as both a hedging and liquidation mechanism. ICC proposes the following changes to its Rules:

1. remove the definition of ''Direct Liquidation'' from Rule 102;

2. remove Rule 20–605(d)(v)(ii), which covers the option to execute hedge or liquidation transactions by way of direct transactions with market participants;

3. further revise Rule 20–605(d)(v) to indicate that hedge and liquidation transactions ''shall'' (instead of ''may'') be entered into pursuant to Default Auctions [14] and, as with the proposed revisions, Default Auctions will be the only mechanism remaining for the execution of hedge and liquidation transactions; and

4. delete references to Direct Liquidation from Rule 20–605(l), including with respect to entering trades through Direct Liquidation and using resources to cover certain obligations from a Direct Liquidation.

As a result of the above-described changes, certain sub-sections of Rules 20–605(d)(v) and 20–605(l) are proposed to be re-numbered or re-lettered as appropriate.

B. Update to ICC's Position Porting Functionality

ICC is updating its position porting capabilities. Currently, ICC's Client Services and Support department (''CSS'') uses a manual Excel-based tool, referred to as the Porting Tool, to generate emails and attachments required as part of the post-default porting process.[15] ICC states that the automated DMS porting functionality removes the need for CSS to use such a manual Excel-based tool, and that moving to the automated DMS porting functionality will improve the efficiency and accuracy of ICC's post-default porting process by reducing manual steps and reducing the risk of error.[16] Accordingly, ICC proposes to make changes to the Default Management Procedures, to remove many references to the Porting Tool.

Specifically, ICC proposes the following changes to its Default Management Procedures:

1. remove ''Porting Tool'' as a defined term in Section 2;

2. remove the entirety of Section 4.3.2.3, which discusses how ICC maintains and updates certain information in the Porting Tool;

3. revise Section 10.1 to remove all references to the steps necessary to use the manual Porting Tool, including removal of references to the ICC Chief Operating Officer (who currently requests use of the Porting Tool) and references to CSS (who currently performs the described Porting Tool steps). As a replacement for the manual Porting Tool steps, ICC proposes to add to Section 10.1 a description of the steps necessary to execute the DMS porting functionality, including the following: (i) creation of a porting event in the DMS; (ii) selection of the client accounts at the defaulting CP(s) that will be offered for porting; (iii) making available for download the portfolios associated with the client accounts offered for porting to the identified non-defaulting CPs; and (iv) enabling each non-defaulting CP to select in the DMS which client account they are willing to accept;

4. modify Section 10.1 to note that the above-listed steps related to the porting functionality of the DMS will be performed by the ICC Risk department upon the request of the ICC Chief Risk Officer;

5. amend Section 10.4 to remove language on the use of the Porting Tool and include language on the use of the DMS porting functionality in respect of a porting event, including canceling a porting event in the DMS if the ICC Chief Risk Officer determines not to transfer any porting portfolios (*i.e.,* client portfolios of the defaulting CP);

6. amend Sections 10.5 and 10.6, which discuss how ICC determines which porting portfolios to try to transfer to potential receiving CPs and the portfolio assignment process, to reflect receiving CPs using the DMS's automated processes to select the client accounts that they are willing to receive, to reflect the Risk Department's and CDS Default Committee's assignment of client accounts, and to record and communicate such assignments;

7. amend Section 10.6 to instruct the ICC Head of Treasury, upon instruction of the ICC Chief Operating Officer, to perform any required money movements associated with the transfer of client account positions;

8. remove Section 10.7 in its entirety, which describes the use of the Porting Tool to execute transfers; and

9. add new Section 11, which would describe how the DMS maintains position records reflecting the execution of relevant default management actions. Specifically, at the end of each day, the

[9] Notice, 90 FR at 26361.

[10] Rule 20–605(d) defines certain Standard Default Management Actions that ICC has the right to take in effecting the closing-out process.

[11] Rule 20–617(a) defines the CDS Default Committee, which is responsible for taking certain actions provided in the Rules and ICC procedures upon a CP default.

[12] Section 8.6 currently describes the process and steps that ICC would follow should it determine to execute Direct Liquidation transactions to liquidate a defaulting CP's portfolio by way of bilateral transactions directly with counterparties. 90 FR at 26360.

[13] Section 8.4 currently describes the process and steps that ICC would follow should it determine to execute an Initial Cover Transaction by way of bilateral transactions directly with counterparties. 90 FR at 26360.

[14] Default Auctions are defined in Rule 102, but is generally understood to mean an auction conducted pursuant to the Default Auction Procedures.

[15] As part of the post-default porting process, ICC shares with its Futures Commission Merchant/Broker Dealer CPs (''potential receiving CPs'') certain client portfolios cleared by the defaulting CP(s), identifies potential receiving CPs willing to take on the portfolios, and subsequently selects to which potential receiving CPs each client portfolio is transferred, if any. Notice, 90 FR at 26361.

[16] Notice, 90 FR at 26361.

DMS generates position files and CSS coordinates with relevant teams to execute the position transfers/adjustments in the clearing system.

C. General Updates and Clarifications

ICC also proposes to make certain clarifying, conforming, and other non-substantive changes throughout the Default Management Procedures. For example, ICC proposes the following changes to its Default Management Procedures:

1. remove ''Approved Auction Participants'' as a defined term in Section 2 because this term is not used elsewhere in the Default Management Procedures;

2. amend the title of Table 1 in Section 4.3.2.2 to correct a typographical error;

3. add the ''Transfer Coordinator'' role to Table 1 in Section 4.3.2.2 to clarify relevant roles and responsibilities and reflect current practices;

4. correct a typographical error in Section 10 to change ''non-Defaulting'' to ''non-defaulting;''

5. replace certain manual tasks associated with the use of the Porting Tool and reflect the use of the DMS in Section 10, for example, replacing ''distributes'' with ''makes available'' and ''collates'' with ''reviews;''

6. update the revision history in current Section 12;

7. update footnote 4 and remove footnote 5 which contain procedures that were previously retired; and

8. renumber section references and footnotes based on the changes described above.[17]

III. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act requires the Commission to approve a proposed rule change of a self-regulatory organization if it finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the organization.[18] Under the Commission's Rules of Practice, the ''burden to demonstrate that a proposed rule change is consistent with the Exchange Act and the rules and regulations issued thereunder . . . is on the self-regulatory organization ['SRO'] that proposed the rule change.'' [19]

The description of a proposed rule change, its purpose and operation, its effect, and a legal analysis of its consistency with applicable requirements must all be sufficiently detailed and specific to support an affirmative Commission finding,[20] and any failure of an SRO to provide this information may result in the Commission not having a sufficient basis to make an affirmative finding that a proposed rule change is consistent with the Exchange Act and the applicable rules and regulations.[21] Moreover, ''unquestioning reliance'' on an SRO's representations in a proposed rule change is not sufficient to justify Commission approval of a proposed rule change.[22]

After carefully considering the Proposed Rule Change, the Commission finds that the Proposed Rule Change is consistent with Section 17A(b)(3)(F) of the Act [23] and Rules 17ad–22(e)(13) and 17ad–22(e)(14) [24] thereunder, as described in detail below.

A. Consistency With Section 17A(b)(3)(F) of the Act

Under Section 17A(b)(3)(F) of the Act, ICC's rules, among other things, must be ''designed to promote the prompt and accurate clearance and settlement of securities transactions and . . . to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible . . . .'' [25] Based on a review of the record, and for the reasons discussed below, the Proposed Rule Change is consistent with Section 17A(b)(3)(F).

The Proposed Rule Change would remove Direct Liquidation transactions as a hedging and liquidation mechanism. This would leave Default Auctions as the only mechanism for executing hedge and liquidation transactions. By retaining its Default Auction process, ICC's hedging and liquidation mechanisms should remain efficient and transparent. Such efficiency and transparency should allow ICC to more easily manage its defaulting CP's portfolio. This increases ICC's likelihood of successfully navigating a CP default without interruption to its clearance and settlement functions.

The Proposed Rule Change would also replace ICC's Porting Tool with an automated DMS porting functionality. These changes reduce the manual steps in ICC's post-default porting process and reduce the risk of error which makes the porting process more efficient and accurate. Improving the efficiency and accuracy of the porting process may help to avoid delays or miscommunications in ICC's efforts to port a client's positions following the default of the customer's CP.

Delays and miscommunications could also be avoided through ICC's proposed changes clarifying, conforming, and other non-substantive changes to the Default Management Procedures. More specifically, these proposed changes include removal of unnecessary or out of date items, correction of typographical errors, and updates aligning the Default Management Procedures with the Proposed Rule Change, current practices, and procedures. These changes improve the clarity and accuracy of the Default Management Procedures. By improving the clarity and accuracy of the Default Management Procedures, they also work to help to avoid delays or miscommunications in ICC's efforts to manage a defaulting Clearing Participant's portfolio.

By ensuring the prompt resolution of a CP default, ICC reduces the chances that its clearing and settlement of transactions is interrupted. Further, prompt resolution of a CP default helps ICC avoid potential losses which could impact its ability to operate. By protecting ICC's ability to operate, the Proposed Rule Change would help assure the safeguarding of securities and funds in ICC's custody and control.

Accordingly, the Proposed Rule Change is consistent with the requirements of Section 17A(b)(3)(F) of the Act.[26]

B. Consistency With Rule 17ad–22(e)(13)

Under Rule 17ad–22(e)(13), ICC must, ''establish, implement, maintain and enforce written policies and procedures reasonably designed to . . . ensure the covered clearing agency has the authority and operational capacity to take timely action to contain losses and liquidity demands and continue to meet its obligations . . . .'' [27] Based on a review of the record, and for the reasons discussed below, the Proposed Rule Change is consistent with Rule 17ad–22(e)(13).

ICC proposes several changes aimed at removing Direct Liquidation transactions as a hedging and liquidation mechanism (thereby leaving Default Auctions as the only mechanism for executing hedge and liquidation transactions). While clearing agencies may manage defaulting Clearing

[17] Notice, 90 FR at 26362.

[18] 15 U.S.C. 78s(b)(2)(C).

[19] Rule 700(b)(3), Commission Rules of Practice, 17 CFR 201.700(b)(3).

[20] *Id.*

[21] *Id.*

[22] *Susquehanna Int'l Group, LLP* v. *Securities and Exchange Commission,* 866 F.3d 442, 447 (D.C. Cir. 2017).

[23] 15 U.S.C. 78q–1(b)(3)(F).

[24] 17 CFR 240.17ad–22(e)(13) and (14).

[25] 15 U.S.C. 78q–1(b)(3)(F).

[26] *Id.*

[27] 17 CFR 240.17ad–22(e)(13).

Participant positions through direct transactions, Rule 17ad–22(e)(13) does not prescribe any specific mechanisms to manage such positions.[28] ICC maintains procedures governing Default Auctions, and replacing the current manual processes the automated processes described above makes those procedures more efficient and transparent.[29] As such, ICC has clear authority to manage defaulting Clearing Participant positions to contain losses and liquidity demands.

Accordingly, the Proposed Rule Change is consistent with the requirements of Rule 17ad–22(e)(13).[30]

C. Consistency With Rule 17ad–22(e)(14)

Under Rule 17ad–22(e)(14), ICC must, ''establish, implement, maintain and enforce written policies and procedures reasonably designed to . . . enable . . . the segregation and portability of positions of a participant's customers and the collateral provided to the covered clearing agency with respect to those positions and effectively protect such positions and related collateral from the default or insolvency of that participant.''

ICC proposes several changes related to replacing its Porting Tool with an automated DMS porting functionality. Through these changes, ICC reduces manual steps in its post-default porting process and reduces the risk of error. By reducing its risk of error in the post-default porting process, ICC should make its post-default porting process more efficient and accurate. An efficient and accurate porting process helps to ensure that ICC can port a client's positions and effectively protect those positions and collateral from the default of a client's CP.

Accordingly, the Proposed Rule Change is consistent with the requirements of Rule 17ad–22(e)(14).[31]

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act, and in particular, Section 17A(b)(3)(F) of the Act[32] and Rules 17Ad–22(e)(13) and (14).[33]

It is therefore ordered pursuant to Section 19(b)(2) of the Act that the proposed rule change (SR–ICC–2025–010) be, and hereby is, approved.[34]

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.[35]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–14752 Filed 8–4–25; 8:45 am]

BILLING CODE 8011–01–P

[28] *See* Standards for Covered Clearing Agencies, Securities Exchange Act Release No. 78961, 81 FR 70786, 70830 (Oct. 13, 2016) (''the Commission recognizes that there may be a number of ways to address compliance with Rule 17Ad–22(e)(13)'').

[29] *See* Securities Exchange Act Release No. 98147 (Aug. 16, 2023), 88 FR 57164 (Aug. 22, 2023) (File No. SR ICC–2023–009); Securities Exchange Act Release No. 87804 (Dec. 19, 2019), 84 FR 71501 (Dec. 27, 2019) (File No. SR–ICC–2019–011); Securities Exchange Act Release No. 79750 (Jan. 6, 2017), 82 FR 3831 (Jan. 12, 2017) (File No. SR–ICC–2016–013).

[30] 17 CFR 240.17ad–22(e)(13).

[31] 17 CFR 240.17ad–22(e)(14).

[32] 15 U.S.C. 78q–1(b)(3)(F).

[33] 17 CFR 240.17ad–22(e)(13) and (14).

[34] In approving the proposed rule change, the Commission considered the proposal's impacts on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[35] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103609; File No. SR–NYSETEX–2025–22]

Self-Regulatory Organizations; NYSE Texas, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.37 To Specify the Exchange's Source of Data Feeds

July 31, 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 July 25, 2025, the NYSE Texas, Inc. (''NYSE Texas'' or the ''Exchange'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I, II, and III 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 amend Rule 7.37 to specify the Exchange's source of data feeds from 24X National Exchange (''24X'') for purposes of order handling, order execution, order routing, and regulatory compliance. The proposed rule change is available on the Exchange's website at *www.nyse.com* and at the principal office of the Exchange.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

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 Exchange proposes to update and amend the use of data feeds table in Rule 7.37(d), which sets forth on a market-by-market basis the specific securities information processor (''SIP'') and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks related to each of those functions. Specifically, in light of the fact that 24X National Exchange (''24X'') has announced that it will launch operations on September 29, 2025,[3] the Exchange proposes to amend the table in Rule 7.37(d) to specify that the Exchange will receive a 24X direct feed as its primary source of data for order handling, order execution, order routing, and regulatory compliance, and will use the SIP Data Feed as its secondary source for data from 24X.

The Exchange proposes to make this change operative on the date that 24X launches operations.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,[4] in general, and furthers the objectives of Section 6(b)(5),[5] in particular, because 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 facilitating transactions in securities, to remove impediments to, and perfect the mechanism of, a free and open market and a national market system and, in general, to protect investors and the

[3] *See* 24X press release at *https://24exchange.com/trading-on-24x-national-exchange-set-to-commence-in-september/.*

[4] 15 U.S.C. 78f(b).

[5] 15 U.S.C. 78f(b)(5).

public interest. Additionally, the Exchange believes that the proposed rule change is consistent with the Section 6(b)(5) requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes its proposal to add 24X to the table in Rule 7.37(d) will ensure that the Rule correctly identifies and publicly states on a market-by-market basis all of the specific SIP and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks for each of those functions. The proposed rule change also removes impediments to and perfects the mechanism of a free and open market and protects investors and the public interest by providing additional specificity, clarity, and transparency in the Exchange's rules.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Rather, the Exchange believes that the proposal will enhance competition because providing the public and market participants with up-to-date information about the data feeds the Exchange will use for the handling, execution, and routing of orders, as well as for regulatory compliance would enhance transparency and enable investors to better assess the quality of the Exchange's execution and routing services. In addition, the proposed rule change would not impact competition between market participants because it will affect all market participants equally.

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[6] and Rule 19b–4(f)(6) thereunder.[7] Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b–4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b–4(f)(6)[8] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b4(f)(6)(iii),[9] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest.

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)[10] 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–NYSETEX–2025–22 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–NYSETEX–2025–22. 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 filing 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–NYSETEX–2025–22 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[11]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–14760 Filed 8–4–25; 8:45 am]

BILLING CODE 8011–01–P

[6] 15 U.S.C. 78s(b)(3)(A)(iii).

[7] 17 CFR 240.19b–4(f)(6).

[8] 17 CFR 240.19b–4(f)(6).

[9] 17 CFR 240.19b–4(f)(6)(iii).

[10] 15 U.S.C. 78s(b)(2)(B).

[11] 17 CFR 200.30–3(a)(12).

SMALL BUSINESS ADMINISTRATION

Military Reservist Economic Injury Disaster Loans; Interest Rate for Fourth Quarter Fiscal Year 2025

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a notice of the Military Reservist Economic Injury Disaster Loans interest rate for loans approved on or after July 31, 2025.

DATES: Issued on August 5, 2025.

FOR FURTHER INFORMATION CONTACT: Alfonso Olivas, Disaster Loan Policy Division, Office of Financial Assistance at *alfonso.olivas@sba.gov.*

SUPPLEMENTARY INFORMATION: The Small Business Administration publishes an interest rate for Military Reservist Economic Injury Disaster Loans (13 CFR 123.512) on a quarterly basis. The interest rate will be 4.000% for loans approved on or after July 31, 2025.

Alfonso Olivas,

Acting Chief, Disaster Loan Policy Division, Office of Financial Assistance.

[FR Doc. 2025–14751 Filed 8–4–25; 8:45 am]

BILLING CODE 8026–09–P

DEPARTMENT OF STATE

[Public Notice: 12785]

Notice for Public Meeting of the IPODS Federal Advisory Committee

ACTION: Notice of public meeting.

SUMMARY: As required by the Federal Advisory Committee Act, Public Law 92–463, the Department of State gives notice of a meeting of the Advisory Committee on International Postal and Delivery Services.

DATES: This Committee will meet virtually on Thursday, August 28, 2025 from 1:00 p.m. to 3:00 p.m. Eastern Time, hosted on the Zoom for Government platform. Members of the public interested in attending the meeting should contact the Committee's Designated Federal Officer by email by Friday, August 22, 2025, to be placed on the mailing list of recipients for the meeting's Zoom link. Requests to be added to the speakers list must be received in writing (by email) prior to the close of business on Friday, August 22, 2025; written comments from members of the public for distribution at this meeting must reach the Designated Federal Officer by email on this same date. Requests received after Friday, August 22, 2025, including any requests for reasonable accommodation, will be considered but might not be able to be fulfilled.

FOR FURTHER INFORMATION CONTACT: Members of the public interested in providing input to the meeting should likewise contact the Designated Federal Officer. Please contact Mr. Stuart Smith, Chief for International Postal Affairs in the Office of Specialized and Technical Agencies (IO/STA), Bureau of International Organization Affairs, U.S. Department of State, by email at *SmithSM7@state.gov.*

SUPPLEMENTARY INFORMATION: The agenda of the meeting will include proposals on the agenda of the UPU's regular Congress in Dubai in September 2025, as well as stakeholder input on other priority issues the United States might pursue at the Congress. Individuals wishing to provide oral input are requested to limit their comments to five minutes.

(Authority: 22 U.S.C. 2651a; 5 U.S.C. 1001 *et seq.;* 39 U.S.C. 407.)

Stuart Smith,

Designated Federal Officer, Advisory Committee on International Postal and Delivery Services, Office of Specialized and Technical Agencies, Bureau of International Organization Affairs, Department of State.

[FR Doc. 2025–14827 Filed 8–4–25; 8:45 am]

BILLING CODE 4710–19–P

DEPARTMENT OF STATE

[Public Notice: 12781]

30-Day Notice of Proposed Information Collection: Affidavit of Identifying Witness

ACTION: Notice of request for public comments.

SUMMARY: The Department of State has submitted the information collection described below to the Office of Management and Budget (OMB) for approval. 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 30 days for public comment.

DATES: The Department will accept comments from the public up to September 4, 2025.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to: *www.reginfo.gov/public/do/PRAMain.* Find this information collection by selecting ''Currently under 30-day Review—Open for Public Comments'' or by using the search function. You must include the DS form number, information collection title, and the OMB control number in any correspondence (if applicable). You may send requests for additional information regarding the collection listed in this notice, including requests for copies of the proposed collection instrument and supporting documents, to the following email address: *Passport-Form-Comments@State.gov.* You must include the DS form number and information collection title in the email subject line.

SUPPLEMENTARY INFORMATION:

- *Title of Information Collection:* Affidavit of Identifying Witness
- *OMB Control Number:* 1405–0088
- *Type of Request:* Revision of a Currently Approved Collection
- *Originating Office:* Bureau of Consular Affairs, Passport Services, Office of Program Management and Operational Support (CA/PPT/S/PMO)
- *Form Number:* DS–71
- *Respondents:* Individuals
- *Estimated Number of Respondents:* 44,340
- *Estimated Number of Responses:* 44,340
- *Average Time Per Response:* 5 minutes
- *Total Estimated Burden Time:* 3,695 hours
- *Frequency:* On Occasion
- *Obligation to Respond:* Required to Obtain a Benefit

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 Affidavit of Identifying Witness is submitted in conjunction with an application for a U.S. passport. It is used by Passport Agents, Passport Acceptance Agents, and Consular Officers to collect information for the purpose of establishing the identity of the applicant. This affidavit is completed by the identifying witness when the applicant is unable to establish his/her identity to the satisfaction of a person authorized to accept passport applications.

Methodology

The Affidavit of Identifying Witness is submitted in conjunction with an application for a U.S. passport. Due to legislative mandates, the DS–71 form is only available at acceptance facilities, passport agencies, and U.S. embassies and consulates. This form must be completed and signed in the presence of an authorized Passport Agent, Passport Acceptance Agent, or Consular Officer.

Amanda E Smith,

Managing Director for Passport Support Operations, Bureau of Consular Affairs, Passport Services, Department of State.

[FR Doc. 2025–14816 Filed 8–4–25; 8:45 am]

BILLING CODE 4710–05–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Noise Compatibility Program for Chicago/Rockford International Airport, Rockford, Illinois

AGENCY: Federal Aviation Administration, DOT.

ACTION: Acceptance of Chicago/Rockford International Airport noise exposure map.

SUMMARY: The Federal Aviation Administration (FAA) announces its determination that the noise exposure map submitted by the Greater Rockford Airport Authority for Chicago/Rockford International Airport is compliant with applicable statutory and regulatory requirements.

DATES: The effective date of the FAA's determination on the noise exposure map is July 31, 2025.

FOR FURTHER INFORMATION CONTACT: Craig Pullins, 2300 Devon Avenue, Suite 312, Des Plaines, Illinois 60018. 847–294–7354.

SUPPLEMENTARY INFORMATION: The FAA determined the noise exposure map submitted by the Greater Rockford Airport Authority for Chicago/Rockford International Airport, is in compliance with applicable statutory and regulatory requirements, effective July 31, 2025. Under title 49, United States Code (U.S.C.) section 47503, an airport operator may submit to the FAA, noise exposure maps depicting non-compatible uses as of the date such map is submitted, a description of estimated aircraft operations during a forecast period that is at least five years in the future and how those operations will affect the map. A noise exposure map must be prepared in accordance with title 14, Code of Federal Regulations (CFR) part 150, the regulations promulgated pursuant to 49 U.S.C. 47502 and developed in consultation with public agencies and planning authorities in the area surrounding the airport, state and Federal agencies, interested and affected parties in the local community, and aeronautical users of the airport. In addition, an airport operator that submitted a noise exposure map, which the FAA determined is compliant with statutory and regulatory requirements, may submit a noise compatibility program for FAA approval that sets forth measures the operator has taken or proposes to take to reduce existing non-compatible uses and prevent the introduction of additional non-compatible uses.

The FAA completed its review of the noise exposure map and supporting documentation submitted by the Greater Rockford Airport Authority and determined the noise exposure map and accompanying documentation are compliant with applicable requirements. The documentation that constitutes the noise exposure map includes the current and forecast NEM graphics, 2023 Existing Condition Noise Exposure Map and 2028 Future Condition Noise Exposure Map; plus, all other narrative, graphic or tabular representations of the data required by 14 CFR 150.101 and 49 U.S.C. sections 47503 and 47506. This determination is effective on July 31, 2025. FAA's determination on an airport's noise exposure map is limited to a finding that the noise exposure map was developed in accordance with the 49 U.S.C. sections 47503 and 47506 and procedures contained in 14 CFR part 150, Appendix A. FAA's acceptance of a noise exposure map does not constitute approval of the applicant's data, information or plans, or a commitment to approve a noise compatibility program or to fund the implementation of that program. If questions arise concerning the precise relationship of specific properties within noise exposure contours depicted on a noise exposure map, it should be noted that the FAA is not involved in any way in determining the relative locations of specific properties with regard to the depicted noise contours or in interpreting the noise exposure maps to resolve questions concerning, for example, which properties should be covered by the provisions of 49 U.S.C. 47506. These functions are inseparable from the ultimate land use control and planning responsibilities of local government. These local responsibilities are not changed in any way under 14 CFR part 150 or through FAA review and acceptance of a noise exposure map. Therefore, the responsibility for the detailed overlaying of noise exposure contours onto the map depicting properties on the surface rests exclusively with the airport operator that submitted a noise exposure map or with those public and planning agencies with which consultation is required under 49 U.S.C. section 47503. The FAA relied on the certification by the airport operator, under of 14 CFR 150.21 that the required consultations and opportunity for public review has been accomplished during the development of the noise exposure maps. Copies of the noise exposure map and supporting documentation and the FAA's evaluation of the noise exposure maps are available for examination at the following locations:

Federal Aviation Administration, 2300 Devon Avenue, Suite 312, Des Plaines, Illinois 60018.

Chicago/Rockford International Airport, Greater Rockford Airport Authority, Administrative Offices, 60 Airport Drive, Rockford, IL 61109.

On the internet at: *https://www.airportprojects.net/rfd-part150/home/documents-reports/.*

Questions may be directed to the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this notice.

Issued in Des Plaines, Illinois on July 31, 2025.

Gary David Wilson,

Acting Manager, Chicago Airports District Office, FAA Great Lakes Region.

[FR Doc. 2025–14738 Filed 8–4–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA–2025–0056]

Agency Information Collection Activities; Notice and Request for Comment; Driver Monitoring System (DMS) in SAE L2 Driver Support Systems

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

ACTION: Notice and request for comments on a new information collection.

SUMMARY: NHTSA invites public comments about the Agency's intention to request approval from the Office of Management and Budget (OMB) for a new information collection request. Before a Federal agency can collect certain information from the public, it must receive approval from OMB. Under procedures established by the Paperwork Reduction Act of 1995, before seeking OMB approval, Federal agencies must solicit public comment on proposed collections of information, including extensions and reinstatement of previously approved collections. This document describes a collection of information request titled ''Driver Monitoring System (DMS) in SAE L2 Driver Support Systems,'' for which NHTSA intends to seek OMB approval to allow NHTSA to conduct a one-time study.

DATES: Comments must be submitted on or before October 6, 2025.

ADDRESSES: You may submit comments identified by the Docket No. NHTSA–2025–0056 through any of the following methods:

- *Electronic submissions:* Go to the Federal eRulemaking Portal at *http://www.regulations.gov.* Follow the online instructions for submitting comments.
- *Fax:* (202) 493–2251.
- *Mail or Hand Delivery:* Docket Management, U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building, Room W12–140, Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except on Federal holidays. To be sure someone is there to help you, please call (202) 366–9322 before coming.

Instructions: All submissions must include the agency name and docket number for this notice. Note that all comments received will be posted without change to *http://www.regulations.gov,* including any personal information provided. Please see the Privacy Act heading below.

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

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

FOR FURTHER INFORMATION CONTACT: For additional information or access to background documents, contact Jeff Dressel, Office of Vehicle Safety Research (NSR–310), (202)–493–0492, National Highway Traffic Safety Administration, W46–439, U.S. Department of Transportation, 1200 New Jersey Avenue SE, Washington, DC 20590.

SUPPLEMENTARY INFORMATION: Under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), before an agency submits a proposed collection of information to OMB for approval, it must first publish a document in the **Federal Register** providing a 60-day comment period and otherwise consult with members of the public and affected agencies concerning each proposed collection of information. The OMB has promulgated regulations describing what must be included in such a document. Under OMB's regulation [at 5 CFR 1320.8(d)], an agency must ask for public comment on the following: (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, including the validity of the methodology and assumptions used; (c) how to enhance the quality, utility, and clarity of the information to be collected; and (d) how to minimize the burden of the collection of information on those who are to respond, including 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. In compliance with these requirements, NHTSA asks for public comments on the following proposed collection of information for which the agency is seeking approval from OMB.

Title: Driver Monitoring System (DMS) in SAE L2 Driver Support Systems.

OMB Control Number: New.

Form Number(s): NHTSA Forms 1830, 1831, 1832, 1833, 1834, 1835, 1836, 1837, 1838, and 1839.

Type of Request: Approval of a new information collection request.

Type of Review Requested: Regular.

Requested Expiration Date of Approval: 3 years from date of approval.

Summary of the Collection of Information: This information collection request (ICR) is to request approval to conduct 14 new voluntary information collections as part of a one-time research study of drivers' interactions with SAE Level 2 (L2) systems (*i.e.,* provide longitudinal [adaptive cruise control] and lateral [lane centering] control of the vehicle) equipped with driver monitoring systems (DMSs). The National Highway Traffic Safety Administration (NHTSA) of the U.S. Department of Transportation is seeking to conduct the research study involving up to 264 licensed drivers aged 18 and above from Phoenix, Arizona and across the US. There are two portions of the study: one portion of the information collection will be from focus groups, and the other portion of the information collection will be from on-road driving with the L2 DMS. For the focus group portion of the study, the information collections involve reporting and include (1) an eligibility questionnaire to be administered to up to 500 potential research respondents; (2) an informed consent form to be administered to up to 192 research participants; and (3) a total of 12 virtual focus group sessions with 12 respondents per focus group. For the on-road portion, the information collections involve reporting and include (1) an eligibility questionnaire to be administered to up to 500 potential research respondents; (2) an informed consent form to be administered to up to 160 research participants. The research participants will be asked to complete the following type of information collection: (3) a risky driving questionnaire; (4) a grip strength assessment; (5) eye tracker calibration and setup; (6) a vehicle familiarization and training briefing; (7) a planned drive; (8) a trust questionnaire; (9) a system acceptance questionnaire; (10) a system understanding questionnaire; and (11) a final debrief. Respondents are not required to participate in this study; it is wholly voluntary. The collection is considered a reporting collection using focus groups, multiple questionnaires, a grip strength measurement, and one on-road in-study drive. The selected respondents will be trained on one vehicle followed by the in-study drive. The questionnaires will be administered upon enrollment in the study, during the focus groups, prior to the in-study drive, and upon completion of the study overall. Each of these collection components will only be collected once and the full study will only be completed once. The focus group portion of the data collection will probe respondents' opinions via discussion and a questionnaire regarding DMS features, capabilities, strengths/weaknesses, uses/strategies that deviate from intended purposes, reactions to human-machine interface (HMI) strategies, and changes in their behavior associated with DMSs. For the on-road driving portion of the study, respondents' naturalistic driving data will be collected in the study-provided vehicles using GoPro cameras and a device to measure where drivers are looking (eye tracker). The questionnaires will assess respondents' risky driving behavior and system trust, acceptance, and understanding.

NHTSA will use the information to produce a technical report that will provide summary figures and tables, as well as the results of data analysis of the information. No identifying information or individual responses connected to identifiers will be reported. The technical report will be shared across the Department of Transportation, and members of the general public will have access to the aggregated information

when the final report is published. The report may also be of interest to vehicle manufacturers and component suppliers (*e.g.,* developers of DMSs). This project involves approval by an institutional review board, which the contractor has obtained. This collection will be used to identify how the DMS ensures active engagement when L2 automation is activated, strengths and weaknesses of different DMS approaches and mitigation strategies when driver behaviors deviate from the intended purpose of the system, how DMSs are implemented to minimize misuse and abuse, and how DMSs support compliant driver behaviors. For the focus groups, the total annual burden is estimated to be 155 hours. For the on-road portion of the study, the total annual burden is estimated to be 163 hours.

Description of the Need for the Information and Proposed Use of the Information: Vehicles equipped with Advanced Driver Assistance Systems (ADAS) have the potential to greatly decrease crashes and save lives. However, a safety concern with some such vehicles is the changing role of the driver from being an active operator to being a passive supervisor. With SAE International's definition of Level 2 (L2) automated driving, acceleration, braking, and steering support features are available to the driver; however, drivers are supposed to remain alert, attentive, and engaged with the driving task and external conditions at all times, but they do not always do so. Disengagement from the active driving task can result in the potential loss of system state information, environmental awareness, and driving context that is available to an engaged driver (Campbell et al., 2018). Such a loss of active engagement could lead to drivers becoming distracted with secondary tasks, reducing the frequency of their glances at relevant portions of the roadway, or even sleeping. Disengaged drivers pose a safety concern because they may be unprepared to resume vehicle control when needed, even though they are still responsible for taking over the L2 Dynamic Driving Task (DDT) if the partial driving automation functions cease (SAE J3016, 2021). This is not a theoretical problem, as crashes and fatalities have already occurred in which driver disengagement under L2 driving was a likely contributing factor.[1]

In response to these concerns and incidents, automakers have included driver monitoring systems (DMSs) as part of their L2 offerings. DMSs are part of a broader approach to attention management and are designed to detect when the driver is disengaged from the driving task while using L2 driving automation (Mueller et al., 2021). Current implementations of L2 DMSs are designed to infer driver state and include both vehicle (*e.g.,* speed, road type) and trip-level data (time of date, time on road, weather), as well as incorporate strategies that provide more direct measures of driver state by detecting whether or not the driver's hands are on the wheel, or detecting (using cameras) whether or not the driver is attentive to the roadway.[2] Critically, assessing the efficacy of a particular approach to implementing a DMS must be considered holistically with respect to the larger L2 ecosystem, including considerations of the driving environment and conditions under which L2 driving can take place, design features of the L2 technology itself (including the HMI), mitigation strategies if disengagement is detected, and known methods that drivers use to circumvent the DMS.

This data collection will directly support NHTSA's research efforts regarding (1) DMS implementation strategies to ensure active engagement by drivers, (2) DMS approaches to address driver behaviors that deviate from the intended purpose of the system including misuse and abuse, and (3) the relationships between the underlying L2 technology, the supporting DMS technology and the HMI that is intended to aid and encourage proper driving behavior and potentially discourage misuse or abuse. If the proposed study is not conducted, NHTSA will have unanswered questions regarding the interrelationships among the broader L2/DMS/HMI ecosystem, and how well DMSs in SAE L2 implement distraction detection strategies, detect unintended uses of the system, and are efficacious under known use cases involving drivers trying to circumvent the DMS.

Affected Public: For the focus group portion of the study, the potential respondent universe is comprised of all residents of the United States who are between the ages of 18 and 64 and for the on-road driving portion of the study, the potential respondent universe is comprised of study volunteers in the greater Phoenix, Arizona area who are between the ages of 18 and 64.

Estimated Number of Respondents: For the focus group portion of the study, the study anticipates screening 500 potential participants to obtain the target sample of 144 research participants who meet study inclusion criteria and fully participate in the study. While the goal is 144 final participants, the research team will ensure eligibility and interest of 192 participants to account for potential attrition. However, while NHTSA estimates 500 potential research participants screened and up to 192 in the research study, NHTSA's burden estimates are based on the average number of respondents to each information collection in each year of the three-year project. Accordingly, NHTSA has estimated that, on average, there are 167 respondents to the eligibility questionnaire (500 potential participants ÷ 3 years) and 64 respondents to each of the other information collections (192 research participants ÷ 3 years) annually. As such, we anticipate conducting a maximum of 500 individual eligibility interviews to recruit the necessary participants for the information collection.

For the on-road driving portion of the study, the study anticipates screening 500 potential participants to obtain the target sample of 120 research participants who meet study inclusion criteria and fully participate in the study. While the goal is 120 final participants, the research team will ensure eligibility and interest of 160 participants to account for potential attrition. However, while NHTSA estimates 500 potential research participants screened, and up to 160 in the research study, NHTSA's burden estimates are based on the average number of respondents for each information collection in each year of the three-year project. Accordingly, NHTSA has estimated that, on average, there are 167 respondents to the eligibility questionnaire (500 potential participants ÷ 3 years) and 53 respondents to each of the other information collections (160 research participants ÷ 3 years) annually.

Frequency: This study is a one-time information collection.

Estimated Total Annual Burden Hours: The estimated annual burden is 341 hours (155 hours for focus groups and 186 for on-road portion).

The estimated total burden is 946 hours (461 total hours for focus groups and 485 total hours for on-road portion). As stated above, the research team will ensure eligibility and interest of 192

[1] *E.g.,* see: 'Inadequate Safety Culture' Contributed to Uber Automated Test Vehicle Crash—NTSB Calls for Federal Review Process for Automated Vehicle Testing on Public Roads'.

[2] These L2 DMSs are distinct from DMSs that do not support L2 operation, and measure driver state (*e.g.,* fatigue, drowsiness, impairment) more generally.

participants for the focus groups portion of the study and 160 participants for the on-road portion of the study. This estimate includes 125 hours for 500 potential participants to complete the initial screening for the focus groups and the on-road driving portions of the study. The burden estimate for the focus groups portion of the study includes 32 hours for the consented participants and 304 hours for the enrolled participants to complete all focus group study tasks. The burden estimate for the on-road portion of the study includes 32 hours for the 160 consented participants and 328 hours for the enrolled participants to complete all study tasks above and beyond the driving they would normally complete during the naturalistic driving observation periods. The on-road driving study tasks include a 12-minute introduction procedure, a 10-minute questionnaire that assesses the participants' risky driving behavior in the past 12 months, a 3-minute assessment of the participants' grip strength, a 15-minute eye tracker setup and calibration, a 10-minute vehicle familiarization and training briefing, one 55-minute planned drive, an 8-minute questionnaire addressing trust, an 8-minute acceptance questionnaire, a 10-minute system understanding questionnaire, and a 4-minute final debriefing. The total burden is the sum of both the focus groups and the on-road driving activities and includes screening, consenting, and completing all of the focus groups and on-road driving activities for a total estimate of 946 hours.

To calculate the opportunity cost to participants in this study, NHTSA used the average (mean) hourly earnings from employers in all industry sectors in the State of Arizona, which the Bureau of Labor Statistics lists at $30.31 per hour.[3] NHTSA estimates that the total annual opportunity cost is approximately $9,540.46 ($4,660.42 for the focus groups portion of the study, and $4880.04 for the on-road driving portion of the study). The details are presented in Tables 1 through 4 below.

TABLE 1—TOTAL STUDY BURDEN HOURS—FOCUS GROUPS

Form No.	Information collection	Number of respondents	Time per response (minutes)	Frequency of response	Total burden hours
1830	Eligibility Questionnaire	500	15	1	125
1831	Informed Consent	192	10	1	32
1832	Focus Group Study	192	85	1	272
N/A	Debriefing	192	10	1	32
Total					461

TABLE 2—ANNUAL BURDEN ESTIMATES—FOCUS GROUPS

Form No.	Information collection	Number of respondents	Time per response (minutes)	Opportunity cost per response	Frequency of response	Annual burden hours	Annual opportunity costs
1830	Eligibility Questionnaire	167	15	$7.58	1	41.7542	$1265.86
1831	Informed Consent	64	10	5.05	1	10.6711	323.20
1832	Focus Group Study	64	85	42.94	1	90.6791	2,748.16
N/A	Debriefing	64	10	5.05	1	10.6711	323.20
Annual Estimates						155	4,660.42

TABLE 3—TOTAL STUDY BURDEN HOURS—ON-ROAD DRIVING

Form No.	Information collection	Number of respondents	Time per response (minutes)	Frequency of response	Total burden hours
1833	Eligibility Questionnaire	500	15	1	125
1834	Informed Consent	160	12	1	32
1835	Perception of Risk/Frequency of Risky Behavior Questionnaire.	160	10	1	26.67
1836	Grip Strength Measurement	160	3	1	8
N/A	Study Drive (Eye Tracker Setup & Calibration, Vehicle Familiarization/Training, Study Drive).	160	80	1	213.33
1837	Trust in Automated Systems Scale	160	8	1	21.33
1838	Onboard Monitoring System Acceptance Survey.	160	8	1	21.33
1839	System Understanding Questionnaire	160	10	1	26.67
N/A	Debriefing	160	4	1	10.67

[3] US Department of Labor, Bureau of Labor and Statistics, May 2023 State Occupational Employment and Wage Estimates Arizona: *https://www.bls.gov/oes/tables.htm#00-0000.*

TABLE 3—TOTAL STUDY BURDEN HOURS—ON-ROAD DRIVING—Continued

Form No.	Information collection	Number of respondents	Time per response (minutes)	Frequency of response	Total burden hours
Total					485

TABLE 4—ANNUAL BURDEN ESTIMATES—ON-ROAD DRIVING

Form No.	Information collection	Number of respondents	Time per response (minutes)	Opportunity cost per response	Frequency of response	Annual burden hours	Annual opportunity costs
1833	Eligibility Questionnaire	167	15	$7.58	1	41.75 42	$1,265.86
1834	Informed Consent	53	12	6.06	1	10.60 11	321.29
1835	Perception of Risk/Frequency of Risky Behavior Questionnaire.	53	10	5.05	1	8.83 9	267.65
1836	Grip Strength Measurement.	53	3	1.52	1	2.65 3	80.56
N/A	Study Drive (Eye Tracker Setup & Calibration. Vehicle Familiarization/ Training, Study Drive.	53	80	40.41	1	93.63 94	2141.73
1837	Trust in Automated Systems Scale.	53	8	4.04	1	7.06 7	214.12
1838	Onboard Monitoring System Acceptance Survey.	53	8	4.04	1	7.06 7	214.12
1839	System Understanding Questionnaire.	53	10	5.05	1	8.83 9	267.65
N/A	Debriefing	53	4	2.02	1	3.53 4	107.06
Annual Estimates						186	4,880.04

Estimated Total Annual Burden Cost: $0.

NHTSA estimates the annual burden cost to participants to be $0.

Public Comments Invited: You are asked to comment on any aspects of this information collection, including (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; (b) the accuracy of the Department's estimate of the burden of the proposed information collection; (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 the use of automated collection techniques or other forms of information technology.

Authority: The Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended; 49 CFR 1.49; and DOT Order 1351.29A.

Cem Hatipoglu,

Associate Administrator, Vehicle Safety Research.

[FR Doc. 2025–14748 Filed 8–4–25; 8:45 am]

BILLING CODE 4910–59–P

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

Notice of OFAC Sanctions Action

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Notice.

SUMMARY: The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing the names of one or more persons that have been placed on OFAC's Specially Designated Nationals and Blocked Persons List (SDN List) based on OFAC's determination that one or more applicable legal criteria were satisfied. All property and interests in property subject to U.S. jurisdiction of these persons are blocked, and U.S. persons are generally prohibited from engaging in transactions with them.

DATES: This action was issued on July 31, 2025. See Supplementary Information for relevant dates.

FOR FURTHER INFORMATION CONTACT: OFAC: Associate Director for Global Targeting, 202–622–2420; Assistant Director for Sanctions Compliance, 202–622–2490 or *https://ofac.treasury.gov/contact-ofac.*

SUPPLEMENTARY INFORMATION:

Electronic Availability

The SDN List and additional information concerning OFAC sanctions programs are available on OFAC's website: *https://ofac.treasury.gov.*

Notice of OFAC Action

On July 31, 2025, OFAC determined that the property and interests in property subject to U.S. jurisdiction of the following persons are blocked under the relevant sanctions authority listed below.

Individual

ALIZADEH HOSHYAR, Javad (Arabic: جواد علیزاده هوشیار) (a.k.a. ALIZADE HOUSHYAR, Javad; a.k.a. ALIZADEH HOSHYAR, Javad Saeid; a.k.a. ALIZADEH HUSHYAR, Javad; a.k.a. ALIZADEH-HOSHIAR, Javad), Iran; DOB 24 Aug 1976; POB Iran; nationality Iran; Additional Sanctions Information - Subject to Secondary Sanctions; Gender Male; National ID No. 1376561999 (Iran) (individual) [NPWMD] [IFSR] (Linked To: CONTROL AFZAR TABRIZ CO LTD).

Designated pursuant to section 1(a)(iv) of Executive Order (E.O.) 13382 of June 28, 2005, "Blocking Property of Weapons of Mass Destruction Proliferators and Their Supporters," 70 FR 38567, 3 CFR, 2005 Comp., p. 170 (E.O. 13382) for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, CONTROL AFZAR TABRIZ CO LTD, a person whose property and interests in property are blocked pursuant to E.O. 13382.

Entities

1. CLIFTON TRADING LIMITED, Unit 04-05, 16th Floor, The Broadway, No. 54-62 Lockhart Road, Wanchai, Hong Kong, China; Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 17 Apr 2018; Company Number 2681997 (Hong Kong); Business Registration Number 69231917 (Hong Kong) [NPWMD] [IFSR] (Linked To: CONTROL AFZAR TABRIZ CO LTD).

   Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, CONTROL AFZAR TABRIZ CO LTD, a person whose property and interests in property are blocked pursuant to E.O. 13382.

2. MECATRON MACHINERY CO LTD (Chinese Traditional: 龍馬精機股份有限公司), No. 26-4, Sanxian Rd, Lianhe Village, Taichung City, Taichung Province 421017, Taiwan; Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 16 Oct 2008; Business Number 24249847 (Taiwan) [NPWMD] [IFSR] (Linked To: CONTROL AFZAR TABRIZ CO LTD).

   Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, CONTROL AFZAR TABRIZ CO LTD, a person whose property and interests in property are blocked pursuant to E.O. 13382.

3. JOEMARS MACHINERY AND ELECTRIC INDUSTRIAL CO LTD, No. 66, Lane 124, Youyuan Rd, Sec. 1, Taichung City, Taichung Province 432008, Taiwan; No. 900, Lu Yang Jin Mao Road, Zhou Shi Town, Kunshan, Jiangsu, China; Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 25 Jul 1989; Business Registration Number 23397051 (Taiwan) [NPWMD] [IFSR] (Linked To: CONTROL AFZAR TABRIZ CO LTD).

   Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, CONTROL AFZAR TABRIZ CO LTD, a person whose property and interests in property are blocked pursuant to E.O. 13382.

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Lawrence M. Scheinert,

Acting Deputy Director, Office of Foreign Assets Control.

[FR Doc. 2025–14768 Filed 8–4–25; 8:45 am]

BILLING CODE 4810–AL–P

DEPARTMENT OF VETERANS AFFAIRS

Advisory Committee on Disability Compensation, Notice of Meeting Cancellation

The Department of Veterans Affairs (VA) gives notice under the Federal Advisory Committee Act, 5 U.S.C. Ch. 10, that the Advisory Committee on Disability Compensation, previously scheduled to be held on August 19 and August 20, 2025, *has been cancelled.*

For more information, please Jadine Piper, Designated Federal Officer, Veterans Benefits Administration, Compensation Service at 202–461–8459 or via email at *21C_ACDC.VBACO@va.gov.*

Dated: July 31, 2025.

Jelessa M. Burney,

Federal Advisory Committee Management Officer.

[FR Doc. 2025–14777 Filed 8–4–25; 8:45 am]

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Part II

Department of Health and Human Services

Centers for Medicare & Medicaid Services

42 CFR Part 412

Medicare Program; FY 2026 Inpatient Psychiatric Facilities Prospective Payment System—Rate Update; Final Rule

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Part 412

[CMS–1831–F]

RIN 0938–AV46

Medicare Program; FY 2026 Inpatient Psychiatric Facilities Prospective Payment System—Rate Update

AGENCY: Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services (HHS).

ACTION: Final rule.

SUMMARY: This final rule updates the prospective payment rates, the outlier threshold, and the wage index for Medicare inpatient hospital services provided by Inpatient Psychiatric Facilities (IPFs), which include psychiatric hospitals and excluded psychiatric units of an acute care hospital or critical access hospital. This final rule also revises the payment adjustment factors for teaching status and for IPFs located in rural areas. These changes will be effective for IPF discharges occurring during the fiscal year beginning October 1, 2025, through September 30, 2026. We are finalizing changes to measures used in the Inpatient Psychiatric Facilities Quality Reporting (IPFQR) Program, updating and codifying the Extraordinary Circumstances Exception policy, and summarizing comments received through requests for information regarding future changes to the IPFQR Program.

DATES: These regulations are effective October 1, 2025.

FOR FURTHER INFORMATION CONTACT:

The IPF Payment Policy mailbox at *IPFPaymentPolicy@cms.hhs.gov* for general information. Nick Brock, (410) 786–5148, for information regarding the inpatient psychiatric facilities prospective payment system (IPF PPS) and regulatory impact analysis. Kaleigh Emerson, *kaleigh.emerson1@cms.hhs.gov,* for information regarding the Inpatient Psychiatric Facilities Quality Reporting (IPFQR) Program.

SUPPLEMENTARY INFORMATION:

Availability of Certain Tables Exclusively Through the Internet on the CMS Website

Addendum A to this final rule summarizes the fiscal year (FY) 2026 IPF PPS payment rates, outlier threshold, cost of living adjustment factors (COLA) for Alaska and Hawaii, national and upper limit cost-to-charge ratios, and adjustment factors. In addition, Addendum B to this final rule shows the complete listing of ICD–10 Clinical Modification (CM) and Procedure Coding System (PCS) codes, the FY 2026 IPF PPS comorbidity adjustment, and electroconvulsive therapy (ECT) procedure codes. Addenda A and B to this final rule are available on the CMS website at *https://www.cms.gov/medicare/payment/prospective-payment-systems/inpatient-psychiatric-facility/tools-and-worksheets.*

Tables setting forth the FY 2026 Wage Index for Urban Areas Based on Core Based Statistical Area (CBSA) Labor Market Areas, the FY 2026 Wage Index Based on CBSA Labor Market Areas for Rural Areas, and the FY 2026 CBSA Labor Market Areas are available exclusively through the internet, on the CMS website at *https://www.cms.gov/medicare/payment/prospective-payment-systems/inpatient-psychiatric-facility/wage-index.*

I. Executive Summary

A. Purpose

This final rule updates the prospective payment rates, the outlier threshold, and the wage index for Medicare inpatient hospital services provided by Inpatient Psychiatric Facilities (IPFs) for discharges occurring during fiscal year (FY) 2026, (beginning October 1, 2025, through September 30, 2026). This rule also revises the payment adjustment factors for teaching status and for IPFs located in rural areas. Lastly, this final rule modifies a quality measure, removes four quality measures, and updates and codifies the Extraordinary Circumstances Exception (ECE) policy under the Inpatient Psychiatric Facilities Quality Reporting (IPFQR) Program.

B. Summary of the Major Provisions

1. Inpatient Psychiatric Facilities Prospective Payment System (IPF PPS)

For the IPF PPS, we are finalizing our proposals to:

- Revise the facility-level IPF PPS adjustment factors for teaching status and for IPFs located in rural areas.
- Make technical rate setting updates: The IPF PPS payment rates will be adjusted annually for input price inflation, as well as statutory and other policy factors.

This rule updates:

++ The IPF PPS Federal per diem base rate from $876.53 to $892.87.

++ The IPF PPS Federal per diem base rate for providers who failed to report quality data to $875.44.

++ The electroconvulsive therapy (ECT) payment per treatment from $661.52 to $673.85.

++ The ECT payment per treatment for providers who failed to report quality data to $660.70.

++ The labor-related share from 78.8 percent to 79.0 percent.

++ The wage index budget neutrality factor to 1.0011. This final rule applies a refinement standardization factor of 0.9927.

++ The fixed dollar loss threshold amount from $38,110 to $39,360, to maintain estimated outlier payments at 2 percent of total estimated aggregate IPF PPS payments.

2. Inpatient Psychiatric Facilities Quality Reporting (IPFQR) Program

For the Inpatient Psychiatric Facilities Quality Reporting (IPFQR) Program, we are finalizing our proposals to modify the reporting period of the 30-Day Risk-Standardized All Cause Emergency Department (ED) Visit Following an IPF Discharge measure, remove the Facility Commitment to Health Equity measure, remove the COVID–19 Vaccination Coverage Among Healthcare Personnel (HCP) measure, remove the Screening for Social Drivers of Health and Screen Positive Rate for Social Drivers of Health measures, and update and codify changes to the Extraordinary Circumstances Exception (ECE) policy. In addition, we are summarizing comments received on three topics through requests for information on a potential future star rating system for IPFs, future measure concepts for the IPFQR Program, and on using the Fast Healthcare Interoperability Resources® (FHIR®) standard for electronic exchange of healthcare information for patient assessment reporting.

C. Summary of Impacts

Provision description	Total transfers & cost reductions
FY 2026 IPF PPS payment update	The overall economic impact of this final rule is an estimated $70 million in increased payments to IPFs during FY 2026.

Provision description	Total transfers & cost reductions
IPFQR Program update, including measure removals	We estimate a cost reduction of $1,746,474 ($1,731,712 in CY 2026 and a further $14,761 in CY 2027) for facilities and patients due to the policies we are finalizing for the IPFQR Program.

II. Background

A. Overview of the Legislative Requirements of the IPF PPS

Section 124 of the Medicare, Medicaid, and State Children's Health Insurance Program Balanced Budget Refinement Act of 1999 (BBRA) (Pub. L. 106–113) required the establishment and implementation of an IPF PPS in a budget neutral manner. Specifically, section 124 of the BBRA mandated that the Secretary of Health and Human Services (the Secretary) develop a per diem prospective payment system (PPS) for inpatient hospital services furnished in psychiatric hospitals and excluded psychiatric units including an adequate patient classification system that reflects the differences in patient resource use and costs among psychiatric hospitals and excluded psychiatric units. ''Excluded psychiatric unit'' means a psychiatric unit of an acute care hospital or of a Critical Access Hospital (CAH), which is excluded from payment under the Inpatient Prospective Payment System (IPPS) or CAH payment system, respectively. These excluded psychiatric units will be paid under the IPF PPS.

Section 405(g)(2) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) (Pub. L. 108–173) extended the IPF PPS to psychiatric distinct part units of CAHs.

Sections 3401(f) and 10322 of the Patient Protection and Affordable Care Act (Pub. L. 111–148) as amended by section 10319(e) of that Act and by section 1105(d) of the Health Care and Education Reconciliation Act of 2010 (Pub. L. 111–152) (hereafter referred to jointly as ''the Affordable Care Act'') added subsection (s) to section 1886 of the Social Security Act (the Act).

Section 1886(s)(1) of the Act titled ''Reference to Establishment and Implementation of System,'' refers to section 124 of the BBRA, which relates to the establishment of the IPF PPS.

Section 1886(s)(2)(A)(i) of the Act requires the application of the productivity adjustment described in section 1886(b)(3)(B)(xi)(II) of the Act to the IPF PPS for the rate year (RY) beginning in 2012 (that is, a RY that coincides with a FY) and each subsequent RY.

Section 1886(s)(2)(A)(ii) of the Act required the application of an ''other adjustment'' that reduced any update to an IPF PPS base rate by a percentage point amount specified in section 1886(s)(3) of the Act for the RY beginning in 2010 through the RY beginning in 2019. As noted in the FY 2020 IPF PPS final rule (84 FR 38424), for the RY beginning in 2019, section 1886(s)(3)(E) of the Act required that the other adjustment reduction be equal to 0.75 percentage point; that was the final year the statute required the application of this adjustment. Because FY 2021 was a RY beginning in 2020, FY 2021 was the first year that section 1886(s)(2)(A)(ii) of the Act did not apply since its enactment.

Sections 1886(s)(4)(A) through (D) of the Act require that for RY 2014 and each subsequent RY, IPFs that fail to report required quality data with respect to such a RY will have their annual update to a standard Federal rate for discharges reduced by 2.0 percentage points. This may result in an annual update being less than 0.0 for a RY, and may result in payment rates for the upcoming RY being less than such payment rates for the preceding RY. Any reduction for failure to report required quality data will apply only to the RY involved, and the Secretary will not consider such reduction in computing the payment amount for a subsequent RY. Additional information about the specifics of the current IPFQR Program is available in the FY 2020 IPF PPS final rule (84 FR 38459 through 38468).

Section 4125 of the Consolidated Appropriations Act, 2023 (CAA, 2023) (Pub. L. 117–328), which amended section 1886(s) of the Act, requires CMS to revise the Medicare prospective payment system for psychiatric hospitals and psychiatric units. Specifically, section 4125(a) of the CAA, 2023 added section 1886(s)(5)(A) of the Act to require the Secretary to collect data and information, as the Secretary determines appropriate, to revise payments under the IPF PPS. CMS discussed this data collection in the FY 2024 IPF PPS final rule (88 FR 51054), as CMS was required to begin collecting this data and information not later than October 1, 2023. As discussed in that rule, the agency has already been collecting data and information consistent with the types set forth in the CAA, 2023 as part of our extensive and years-long analyses and consideration of potential payment system refinements. We refer readers to the FY 2024 IPF PPS final rule (88 FR 51095 through 51098) where we discussed existing data collection and requested information to inform future IPF PPS revisions.

In addition, section 1886(s)(5)(D) of the Act, as added by section 4125(a) of the CAA, 2023 required that the Secretary implement revisions to the methodology for determining the payment rates under the IPF PPS for psychiatric hospitals and psychiatric units, effective for RY 2025 (FY 2025). Section 1886(s)(5)(D) of the Act provided that these revisions may be based on a review of the data and information collected under section 1886(s)(5)(A) of the Act. For a detailed discussion on the revisions implemented for FY 2025, we refer readers to the FY 2025 IPF PPS final rule (89 FR 64590 through 64636).

Section 4125(b) of the CAA, 2023 amended section 1886(s)(4) of the Act by inserting a new subparagraph (E) and redesignating the existing subparagraph (E) as subparagraph (F) which requires IPFs participating in the IPFQR Program to collect and submit to the Secretary standardized patient assessment data, using a standardized patient assessment instrument, for RY 2028 (FY 2028) and each subsequent rate year. IPFs must submit such data with respect to at least the admission and discharge of an individual, or more frequently as the Secretary determines appropriate. For IPFs to meet this new data collection and reporting requirement for RY 2028 and each subsequent rate year, the Secretary must implement a standardized patient assessment instrument that collects data with respect to the following categories: functional status; cognitive function and mental status; special services, treatments, and interventions; medical conditions and comorbidities; impairments; and other categories as determined appropriate by the Secretary. This patient assessment instrument must enable comparison of such patient assessment data that IPFs submit across all such IPFs to which such data are applicable.

Section 4125(b) of the CAA, 2023 further amended section 1886(s) of the Act by adding a new subparagraph (6) that requires the Secretary to implement revisions to the methodology for determining the payment rates for

psychiatric hospitals and psychiatric units (that is, payment rates under the IPF PPS), effective for RY 2031 (FY 2031), as the Secretary determines to be appropriate, to take into account the patient assessment data described in paragraph (4)(E)(ii).

To implement and periodically update the IPF PPS, we have published various proposed and final rules and notices in the **Federal Register**. For more information regarding these documents, we refer readers to the CMS website at *https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientPsychFacilPPS/index.html?redirect=/InpatientPsychFacilPPS/.*

B. Overview of the IPF PPS

We issued the rate year (RY) 2005 IPF PPS final rule that appeared in the November 15, 2004 **Federal Register** (69 FR 66922). The RY 2005 IPF PPS final rule established the IPF PPS, as required by section 124 of the BBRA and codified at 42 CFR part 412, subpart N. The RY 2005 IPF PPS final rule set forth the Federal per diem base rate for the implementation year (the 18-month period from January 1, 2005, through June 30, 2006) and provided payment for the inpatient operating and capital costs to IPFs for covered psychiatric services they furnish (that is, routine, ancillary, and capital costs, but not costs of approved educational activities, bad debts, and other services or items that are outside the scope of the IPF PPS). Covered psychiatric services include services for which benefits are provided under the fee-for-service Part A (Hospital Insurance Program) of the Medicare program.

The IPF PPS established the Federal per diem base rate for each patient day in an IPF derived from the national average daily routine operating, ancillary, and capital costs in IPFs in FY 2002. The average per diem cost was updated to the midpoint of the first year under the IPF PPS, standardized to account for the overall positive effects of the IPF PPS payment adjustments, and adjusted for budget neutrality.

The Federal per diem payment under the IPF PPS is comprised of the Federal per diem base rate described previously and certain patient- and facility-level payment adjustments for characteristics that were found in the regression analysis to be associated with statistically significant per diem cost differences, with statistical significance defined as p less than 0.05. A complete discussion of the regression analysis that established the IPF PPS adjustment factors can be found in the RY 2005 IPF PPS final rule (69 FR 66933 through 66936).

The patient-level adjustments include age, Diagnosis-Related Group (DRG) assignment, and comorbidities, as well as adjustments to reflect higher per diem costs at the beginning of a patient's IPF stay and lower costs for later days of the stay. Facility-level adjustments include adjustments for the IPF's wage index, rural location, teaching status, a cost-of-living adjustment for IPFs located in Alaska and Hawaii, and an adjustment for the presence of a qualifying emergency department (ED).

The IPF PPS provides additional payment policies for outlier cases, interrupted stays, and a per-treatment payment for patients who undergo ECT. During the IPF PPS mandatory 3-year transition period, stop-loss payments were also provided; however, since the transition ended as of January 1, 2008, these payments are no longer available.

C. Annual Requirements for Updating the IPF PPS

Section 124 of the BBRA did not specify an annual rate update strategy for the IPF PPS and was broadly written to give the Secretary discretion in establishing an update methodology. Therefore, in the RY 2005 IPF PPS final rule, we implemented the IPF PPS using the following update strategy:

- Calculate the final Federal per diem base rate to be budget neutral for the 18-month period of January 1, 2005, through June 30, 2006.
- Use a July 1 through June 30 annual update cycle.
- Allow the IPF PPS first update to be effective for discharges on or after July 1, 2006, through June 30, 2007.

The RY 2005 final rule (69 FR 66922) implemented the IPF PPS. In developing the IPF PPS, and to ensure that the IPF PPS can account adequately for each IPF's case-mix, we performed an extensive regression analysis of the relationship between the per diem costs and certain patient and facility characteristics to determine those characteristics associated with statistically significant cost differences on a per diem basis. That regression analysis is described in detail in our RY 2004 IPF proposed rule (68 FR 66923; 66928 through 66933) and our RY 2005 IPF final rule (69 FR 66933 through 66960). For characteristics with statistically significant cost differences, we used the regression coefficients of those variables to determine the size of the corresponding payment adjustments.

In the RY 2005 IPF final rule, we explained the reasons for delaying an update to the adjustment factors, derived from the regression analysis, including waiting until we have IPF PPS data that yields as much information as possible regarding the patient-level characteristics of the population that each IPF serves. We indicated that we did not intend to update the regression analysis and the patient-level and facility-level adjustments until we complete that analysis. Until that analysis is complete, we stated our intention to publish a notice in the **Federal Register** each spring to update the IPF PPS (69 FR 66966).

We issued a final rule which appeared in the May 6, 2011 **Federal Register** titled, ''Inpatient Psychiatric Facilities Prospective Payment System—Update for Rate Year Beginning July 1, 2011 (RY 2012)'' (76 FR 26432), which changed the payment rate update period to a RY that coincides with a FY update. Therefore, final rules are now published in the **Federal Register** in the summer to be effective on October 1st of each year. When proposing changes in IPF payment policy, a proposed rule is issued in the spring, and the final rule in the summer to be effective on October 1st. For a detailed list of updates to the IPF PPS, we refer readers to our regulations at 42 CFR 412.428. Beginning October 1, 2012, we finalized that we would refer to the 12-month period from October 1 through September 30 as a ''fiscal year'' (FY) rather than a RY (76 FR 26435). Therefore, in this final rule we refer to rules that took effect after RY 2012 by the FY, rather than the RY, in which they took effect.

The most recent IPF PPS annual update, the FY 2025 IPF PPS final rule (89 FR 64582), appeared in the **Federal Register** on August 7, 2024. The FY 2025 IPF PPS final rule updated the patient-level adjustments and the ED adjustment as well as increased the ECT per treatment payment amount for FY 2025, in accordance with section 1886(s)(5)(D)(i) of the Act. That final rule also updated the IPF PPS Federal per diem base rates that were published in the FY 2024 IPF PPS final rule (88 FR 51054). In revising the IPF PPS patient-level adjustment factors, and to ensure that the IPF PPS can account adequately for each IPF's case-mix, we performed an extensive regression analysis of the relationship between the per diem costs and patient characteristics to determine those characteristics associated with statistically significant cost differences on a per diem basis. That regression analysis is described in detail in our FY 2025 IPF PPS proposed rule (89 FR 23154 through 23161) and our FY 2025 IPF PPS final rule (89 FR 64594 through

64601). For characteristics with statistically significant cost differences, we used the regression coefficients of those variables to determine the size of the corresponding payment adjustments.

As required by section 1886(s)(5)(D)(iii) of the Act, revisions to the IPF PPS payment rates implemented pursuant to section 1886(s)(5)(D)(i) of the Act must be budget neutral. Therefore, we finalized a refinement standardization factor for the FY 2025 IPF PPS payment rates to maintain budget neutrality for FY 2025. The application of the FY 2025 standardization factor is described in detail in our FY 2025 IPF PPS proposed rule (89 FR 23194) and our FY 2025 IPF PPS final rule (89 FR 64640 and 64641).

III. Analysis of and Responses to the Public Comments

We received 55 public comments that pertain to proposed IPF PPS payment policies, requests for information, and the proposed updates to the IPFQR Program. Comments were from inpatient psychiatric facilities, health systems, national and state level provider and patient advocacy organizations, health information technology providers, and individuals. We reviewed each comment and grouped related comments, after which we placed them in categories based on subject matter or section(s) of the regulation affected. Summaries of the public comments received and our responses to those comments are provided in the appropriate sections in the preamble of this final rule.

In addition, we received a few comments that were out of the scope of the FY 2026 IPF PPS proposed rule. We appreciate these comments but note that, because they fall outside the scope of this rulemaking, we do not address them in this rule. We may consider these comments as we continue to develop policies for future rulemaking, as applicable.

IV. Provisions of the FY 2026 IPF PPS Final Rule and Responses to Comments

A. FY 2026 Market Basket Increase and Productivity Adjustment for the IPF PPS

1. Background

Originally, the input price index used to develop the IPF PPS was the Excluded Hospital with Capital market basket. This market basket was based on 1997 Medicare cost reports for Medicare-participating inpatient rehabilitation facilities (IRFs), IPFs, long-term care hospitals (LTCHs), cancer hospitals, and children's hospitals. Although ''market basket'' technically describes the mix of goods and services used in providing health care at a given point in time, this term is also commonly used to denote the input price index (that is, cost category weights and price proxies) derived from that market basket. Accordingly, the term ''market basket,'' as used in this document, refers to an input price index.

Since the IPF PPS inception, the market basket used to update IPF PPS payments has been rebased and revised to reflect more recent data on IPF cost structures. We last rebased and revised the IPF market basket in the FY 2024 IPF PPS rule, where we adopted a 2021-based IPF market basket, using Medicare cost report data for both Medicare participating freestanding psychiatric hospitals and psychiatric units. We refer readers to the FY 2024 IPF PPS final rule for a detailed discussion of the 2021-based IPF market basket and its development (88 FR 51057 through 51081). Prior to the 2021-based IPF market basket, we used the 2016-based IPF market basket that was adopted in the FY 2020 IPF PPS final rule (84 FR 38426 through 38447). References to the historical market baskets used to update IPF PPS payments prior to the FY 2020 IPF PPS rule are listed in the FY 2016 IPF PPS final rule (80 FR 46656).

2. FY 2026 IPF Market Basket Update

For FY 2026 (beginning October 1, 2025, and ending September 30, 2026), we proposed to update the IPF PPS payments by a market basket increase factor, with a productivity adjustment as required by section 1886(s)(2)(A)(i) of the Act. Consistent with historical practice, we proposed to estimate the market basket update for the IPF PPS based on the most recent forecast available at the time of rulemaking from IHS Global Inc. (IGI).[1] IGI is a nationally recognized economic and financial forecasting firm with which CMS contracts to forecast the components of the market baskets and productivity adjustment. For the proposed rule, based on IGI's fourth quarter 2024 forecast with historical data through the third quarter of 2024, the proposed 2021-based IPF market basket increase factor for FY 2026 was 3.2 percent. We also proposed that if more recent data became available after the publication of the proposed rule and before the publication of this final rule (for example, a more recent estimate of the market basket percentage increase or productivity adjustment), we would use such data, if appropriate, to determine the FY 2026 IPF market basket update in this final rule.

Section 1886(s)(2)(A)(i) of the Act requires that, after establishing the increase factor for a FY, the Secretary shall reduce such increase factor for FY 2012 and each subsequent FY, by the productivity adjustment described in section 1886(b)(3)(B)(xi)(II) of the Act. Section 1886(b)(3)(B)(xi)(II) of the Act sets forth the definition of this productivity adjustment. The statute defines the productivity adjustment to be equal to the 10-year moving average of changes in annual economy-wide, private nonfarm business multifactor productivity (MFP) (as projected by the Secretary for the 10-year period ending with the applicable FY, year, cost reporting period, or other annual period) (the ''productivity adjustment''). The United States Department of Labor's Bureau of Labor Statistics (BLS) publishes the official measures of productivity for the U.S. economy. We note that previously the productivity measure referenced in section 1886(b)(3)(B)(xi)(II) of the Act was published by BLS as private nonfarm business MFP. Beginning with the November 18, 2021, release of productivity data, BLS replaced the term ''multifactor productivity'' with ''total factor productivity'' (TFP). BLS noted that this is a change in terminology only and will not affect the data or methodology. As a result of the BLS name change, the productivity measure referenced in section 1886(b)(3)(B)(xi)(II) of the Act is now published by BLS as private nonfarm business TFP. However, as mentioned previously, the data and methods are unchanged. We refer readers to *www.bls.gov* for the BLS historical published TFP data. A complete description of IGI's TFP projection methodology is available on the CMS website at *https://www.cms.gov/data-research/statistics-trends-and-reports/medicare-program-rates-statistics/market-basket-research-and-information.* In addition, in the FY 2022 IPF PPS final rule (86 FR 42611), we noted that effective with FY 2022 and forward, CMS changed the name of this adjustment to refer to it as the productivity adjustment rather than the MFP adjustment.

Section 1886(s)(2)(A)(i) of the Act requires the application of the productivity adjustment described in section 1886(b)(3)(B)(xi)(II) of the Act to the IPF PPS for the RY beginning in 2012 (a RY that coincides with a FY) and each subsequent RY. For the FY 2026 IPF PPS proposed rule, based on IGI's fourth quarter 2024 forecast, the proposed productivity adjustment for

[1] *https://www.spglobal.com/en.*

FY 2026 (the 10-year moving average change of TFP for the period ending FY 2026) was projected to be 0.8 percentage point. Accordingly, we proposed to reduce the proposed 3.2 percent IPF market basket increase by the proposed 0.8 percentage point productivity adjustment, as mandated by the Act. This resulted in a proposed FY 2026 IPF PPS payment rate update of 2.4 percent (3.2 percent − 0.8 percentage point = 2.4 percent). We also proposed that if more recent data became available, we would use such data, if appropriate, to determine the FY 2026 IPF market basket increase and productivity adjustment for the final rule.

We solicited comments on the proposed IPF market basket increase and productivity adjustment for FY 2026. The following is a summary of the comments we received and our responses.

Comment: Several commenters expressed appreciation for the FY 2026 IPF payment update; however, some commenters stated that the proposed payment update is inadequate to address the current cost pressures IPFs are facing. A commenter highlighted that from 2022 to 2024, general inflation rose by 14.1 percent while Medicare IPF payment rates increased only 5.1 percent, effectively creating a payment cut in real terms. Another commenter provided data showing that hospital employee compensation grew by 45 percent from 2014 to 2023, while IPF PPS updates provided only a 23.5 percent increase during the same period. Commenters explained that this has created an unsustainable financial environment where Medicare payments have consistently failed to keep pace with the actual cost of caring for patients.

Commenters stated that workforce shortages and escalating labor costs represent the most significant challenge facing IPFs, with labor constituting approximately 80 percent of the IPF PPS market basket according to CMS data. A commenter reported that advertised salaries for registered nurses have grown 26.6 percent faster than the rate of inflation over the past 4 years, while hospitals have been forced to dramatically increase wages, bonuses, and contract labor rates to maintain critical staffing. A couple of commenters stated that rural facilities face particularly acute challenges because their IPFs rely heavily on traveling clinicians and contract staff due to severe workforce shortages in underserved areas. This commenter stated that rural facilities also face higher per-patient infrastructure costs due to lower patient volumes, limited access to community-based alternatives that result in longer patient stays, and transportation barriers that require additional investment in discharge planning and patient support services. Several commenters stated that IPFs are facing significant increases in pharmaceutical and supply costs that further strain their operating budgets, citing a Department of Health and Human Services report showing that prices for nearly 2,000 drugs increased an average of 15.2 percent from 2017 through 2023, notably faster than general inflation. The commenters indicated that drug shortages have compounded these challenges, with medications commonly used in psychiatric care—including clonazepam, oxazepam, and ketamine—experiencing supply disruptions that force facilities to seek more expensive alternatives and disrupt patient care protocols.

A commenter stated the IPF market basket is flawed due to CMS's use of the Employment Cost Index (ECI) to measure changes in labor compensation in the market basket. The commenter stated that the ECI might not fully capture growth in employment and labor costs, as it does not account for changes driven by shifts between different categories of labor such as between staff and contract employees.

Several commenters stated that the inadequate payment update threatens the long-term sustainability of inpatient psychiatric services and could force facilities to reduce capacity or close altogether. A commenter added that Medicare Advantage is having even further negative impacts on IPFs by reimbursing for IPF services at rates below cost. The commenter explained that since their patient mix is close to 50 percent covered by Medicare fee-for-service (FFS) and Medicare Advantage, they are less able to mitigate losses by increasing rates on commercial payors to offset those losses. Commenters urged CMS to adopt a higher market basket update that reflects the true cost of providing inpatient psychiatric care in the current economic environment noting that the Medicare Advantage plans have a forecasted increase for 2026 of about 5 percent. Several organizations specifically requested that CMS utilize more recent cost data in developing the final rule.

Response: We appreciate the commenters' concern regarding inflationary pressure facing IPFs and the proposed FY 2026 market basket update. As stated in the FY 2024 IPF final rule (88 FR 541057) and FY 2025 IPF final rule (89 FR 64586), the 2021-based IPF market basket is a fixed-weight, Laspeyres-type index that measures price changes over time. Since the inception of the IPF PPS, the IPF payment rates (with the exception of statutorily-mandated updates) have been updated by a projection of a market basket percentage increase—consistent with other CMS PPS updates (including IPPS, SNF, and HH). The market basket is designed to measure price inflation for IPF providers and would not reflect increases in costs associated with changes in the volume or intensity of input goods and services (such as the quantity of labor used).

Additionally, we acknowledge that the market basket updates may differ from other overall inflation indexes such as the topline CPI; however, we would reiterate that these topline indexes are not comparable since they measure different mixes of products, services, or wages than the IPF market basket. Additionally, the market basket updates appropriately differ from other payment updates (such as projected increase in the average per capita payments to Medicare Advantage organizations) that are not consistent in concept with the statutory requirement as they would reflect anticipated volume and intensity of services.

As is our general practice, we proposed in the FY 2026 IPF proposed rule that if more recent data became available, we would use such data, if appropriate, to derive the final FY 2026 IPF market basket update for the final rule. The projection of the 2021-based IPF market basket is based on the most recent forecast from IGI—a nationally recognized economic and financial forecasting firm with which we contract to forecast the price proxies of the market baskets. We also note that when developing its forecast for labor prices, IGI considers overall labor market conditions (including rise in contract labor employment due to tight labor market conditions) as well as trends in contract labor wages, which both have an impact on wage pressures for workers employed directly by the hospital.

For this final rule, based on the more recent IGI second quarter 2025 forecast with historical data through the first quarter of 2025, the projected 2021-based IPF market basket increase factor for FY 2026 is 3.2 percent, which is unchanged from the projected FY 2026 market basket increase factor in the proposed rule. We note that while there are multiple offsetting factors contributing to differences in the forecasts underlying the proposed and final rules, the final FY 2026 productivity-adjusted IPF market basket

update is slightly higher due to economic uncertainty.

We rebased and revised the IPF market basket in the FY 2024 IPF final rule (88 FR 51057) and did not receive any comments related to the use of the ECIs in the IPF market basket. We continue to believe the ECI is an appropriate index to measure the price changes for Compensation costs. While the ECI reflects the price changes for employed staff only, we believe those price changes accurately reflect the labor price trends for those occupations, regardless of whether they are employed or contracted staff. Additionally, separating the compensation category by occupation enables us to capture any cost weight changes associated with employing versus contracting labor when the index weights are updated. We will continue to monitor the trends in the ECI as well as the increased use of contract labor. We welcome any additional publicly available data that commenters can provide regarding alternative price indexes.

Comment: Several commenters expressed concerns regarding the ongoing application of the productivity adjustment to IPFs. The commenters highlighted that CMS identified a lag in hospital productivity compared to the BLS estimate of private nonfarm business productivity growth. Commenters stated that under these circumstances, expecting an increase in IPF productivity in FY 2026 is unreasonable.

A commenter further expressed concerns with the mandated productivity adjustment by stating that private nonfarm business TFP productivity measures are unsuitable for hospitals. They stated that while TFP outputs in private businesses are based on quantities and prices of goods/services, hospital outputs, such as visit/procedure volumes, reflect community disease burdens rather than productivity. Additionally, the commenter explained that hospitals cannot adjust their prices like private businesses due to fixed reimbursements and negotiated rates with insurers. This commenter also stated that TFP does not account for the unique challenges faced by hospitals, including unpredictable patient volumes, rising costs, varying acuity levels, and regulatory burdens unfamiliar to other industries. Finally, commenters stated that hospital services are labor-intensive, making sustained productivity gains difficult. Commenters explained that, similar to education and social assistance sectors, hospitals have lower productivity rates. Commenters further noted that CMS recognizes hospitals achieve only one-third of the productivity gains of the private sector, citing a June 2022 memorandum from CMS. This memo stated that ''over the period 1990–2019, the average growth rate of hospital [productivity] using the two methodologies ranges from 0.2 percent to 0.5 percent, compared to the average growth of private nonfarm business [productivity] of 0.8 percent.'' [2] The memo also indicated that an assumed future rate of hospital industry productivity growth of 0.4 percent per year remained reasonable compared to an assumed productivity growth rate in the private nonfarm business sector of 1.0 percent.

A commenter questioned the increase of the FY 2026 productivity cut to 0.8 percent from 0.5 percent in FY 2025 despite being based on a 10-year moving average, which should smooth out fluctuations. They mentioned an inability to fully analyze projections due to CMS's lack of transparency but suggested that excluding a low-TFP growth period in 2016 from the updated 10-year moving average may unjustifiably increase the productivity adjustment. The commenter also claimed that the productivity adjustment is only applied if it reduces Medicare payments, never to increase them. They provided an example from FY 2021, where a −0.1 percent productivity factor forecast would have raised the hospital market basket by 0.1 percentage point, but CMS set it at 0, citing a mandate to reduce, not increase, the market basket percentage increase based on productivity changes. This practice leads to cumulative yearly reductions and asymmetric treatment of productivity declines, resulting in underfunding for hospitals.

Several commenters acknowledged the Affordable Care Act's requirement for the productivity adjustment but requested CMS use its ''special exceptions and adjustments'' authority to eliminate or modify the productivity adjustment for FY 2026. Some commenters requested that CMS carefully monitor the impact of these productivity adjustments on the IPF hospital sector, provide feedback to Congress as appropriate, and reduce the productivity adjustment.

Response: Section 1886(s)(2)(A)(i) of the Act requires the application of the productivity adjustment described in section 1886(b)(3)(B)(xi)(II) to the IPF PPS market basket update. As required by statute, the FY 2026 productivity adjustment is derived based on the 10-year moving average growth in economy-wide private nonfarm business total factor productivity for the period ending FY 2026. We recognize the concerns of the commenters regarding the appropriateness of the productivity adjustment; however, we are required pursuant to section 1886(b)(3)(B)(xi)(II) of the Act to apply the specific productivity adjustment described here.

We have always made available on the CMS website the general method for calculating the productivity adjustment. This includes providing a link to the most recent BLS historical TFP data (*https://www.bls.gov/productivity/*), which allows interested parties to obtain historical TFP annual index levels for 1987 through 2024. We also provided the IGI projection model (*https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/medicareprogramratesstats/downloads/tfp_methodology.pdf*), which is used to derive annual TFP growth rates for 2025 and 2026. The annual index level derived from this method is then interpolated to quarterly levels, and the FY 2026 productivity adjustment is equal to the percent change in the 40-quarter moving average projected level for the period ending September 30, 2026, relative to the 40-quarter moving average projected level for the period ending September 30, 2025. We believe our methodology for the productivity adjustment is consistent with section 1886(b)(3)(B)(xi)(II) of the Act, which states that the productivity adjustment is equal to the 10-year moving average of changes in annual economy-wide private nonfarm business multi-factor productivity (as projected by the Secretary for the 10-year period ending with the applicable fiscal year, year, cost reporting period, or other annual period), which is used to derive annual TFP growth rates for 2025 and 2026. The annual index level derived from this method is then interpolated to quarterly levels, and the FY 2026 productivity adjustment is equal to the percent change in the 40-quarter moving average projected level for the period ending September 30, 2026, relative to the 40-quarter moving average projected level for the period ending September 30, 2025.

At the time of this final rule, the FY 2026 productivity adjustment reflects BLS historical TFP data through 2024 (released on March 21, 2025) and IGI's forecasted TFP growth for 2025 and 2026. The average annual growth rate of historical TFP published by BLS for 2017 through 2024 is currently 0.9 percent and IGI is projecting average

[2] Paul Spitalnic, Stephen Heffler, Bridget Dickensheets and Mollie Knight, ''Hospital Multifactor Productivity: An Update Presentation of Two Methodologies Using Data through 2019.'' (*cms.gov*).

TFP growth of about 0.0 percent for 2025 and 2026 based on IGI's second-quarter 2025 forecast. Combining the historical and projected TFP data over the entire 10-year time period results in a compound annual growth rate of TFP of 0.7 percent for 2026. The productivity adjustment (based on the 10-year period ending FY 2026) for this final rule is 0.1 percentage point lower than in the proposed rule and primarily reflects the incorporation of a revised outlook from IGI that has lower projected economic growth over 2025 and 2026. The 0.7 percentage point productivity adjustment in the FY 2026 final rule is larger than the productivity adjustment in prior final rules for FY 2023 and FY 2024 mainly due to the incorporation of updated BLS historical data.

In response to commenters' concerns about the productivity adjustment only being applied if it reduces the payment update, we note that the productivity adjustment was established under the Affordable Care Act with a specific policy intent to encourage efficiency improvements in healthcare delivery by linking Medicare payment updates to economy-wide productivity gains. The statutory language in section 1886(s)(2)(A) of the Act requires that the Secretary reduce (not increase) the market basket percentage increase by changes in economy-wide productivity, therefore, only positive productivity adjustments are applied.

Comment: Several commenters noted concerns about CMS's estimation of the IPF market basket updates since the COVID–19 PHE, stating that it has resulted in several consecutive years of underpayments to IPF providers, with data showing that market basket updates for fiscal years 2021 through 2024 have understated the IPF base rate by 4.2 to 5.1 percentage points. The commenters stated that the pattern of forecast errors stems directly from economic disruption caused by the COVID–19 PHE, which created inflationary pressures that existing forecasting models failed to capture, representing a departure from historically more balanced forecasting performance. Some commenters stated that these under forecasts are built into the IPF base payment and because future updates are based on current payment levels, missed forecasts become permanently established in standard payment rates and continue to compound over time, creating an ever-widening gap between actual costs and reimbursement levels that disadvantages IPFs and inhibits their ability to address behavioral health needs in their communities. Several commenters urged CMS to take corrective measures including one-time adjustments ranging from 3.6 to 4.2 percentage points to account for cumulative forecast errors and requested that CMS use special exceptions and adjustments authority to eliminate productivity cuts and implement base rate corrections that would provide IPFs with stability needed to maintain access to patient care despite ongoing financial challenges.

Response: We appreciate the concerns of commenters; however, we did not propose and are not finalizing a forecast error adjustment for the IPF PPS for FY 2026. The IPF market basket updates are set prospectively, which means that the update relies on a mix of both historical data for part of the period for which the update is calculated and forecasted data for the remainder. For instance, the FY 2026 market basket update in this final rule reflects historical data through the first quarter of CY 2025 and forecasted data through the third quarter of CY 2026.

While there is no precedent to adjust for market basket forecast error in the IPF payment update, a forecast error can be calculated by comparing the actual market basket increase for a given year less than the forecasted market basket increase. Due to the uncertainty regarding future price trends, forecast errors can be both positive and negative. The forecast error has been both positive and negative during past years, and over longer periods of time the cumulative forecast has not deviated significantly from the historical measures. Only considering the forecast error for years when the IPF market basket update was lower than the actual market basket update does not consider the full experience and impact of forecast error.

Final Decision: After consideration of the comments received, we are finalizing our proposal to update IPF PPS payment rates using the latest available productivity-adjusted market basket increase factor. Based on IGI's second quarter 2025 forecast, the 2021-based IPF market basket percentage increase for FY 2026 is 3.2 percent and the projected FY 2026 productivity adjustment is 0.7 percentage point. Therefore, the final FY 2026 IPF market basket update is equal to 2.5 percent (3.2 percent market basket percentage increase reduced by the 0.7 percentage point productivity adjustment).

3. FY 2026 IPF Labor-Related Share

Due to variations in geographic wage levels and other labor-related costs, we believe that payment rates under the IPF PPS should continue to be adjusted by a geographic wage index, which will apply to the labor-related portion of the Federal per diem base rate (hereafter referred to as the ''labor-related share''). The labor-related share is determined by identifying the national average proportion of total costs that are related to, influenced by, or vary with the local labor market. We proposed to continue to classify a cost category as labor-related if the costs are labor-intensive and vary with the local labor market.

Based on our definition of the labor-related share and the cost categories in the 2021-based IPF market basket, we proposed to continue to include in the labor-related share the sum of the relative importance of Wages and Salaries; Employee Benefits; Professional Fees: Labor-Related; Administrative and Facilities Support Services; Installation, Maintenance, and Repair Services; All Other: Labor-Related Services; and a portion of the Capital-Related relative importance from the 2021-based IPF market basket. For more details regarding the methodology for determining specific cost categories for inclusion in the labor-related share based on the 2021-based IPF market basket, we refer readers to the FY 2024 IPF PPS final rule (88 FR 51078 through 51081).

The relative importance reflects the different rates of price change for these cost categories between the base year (FY 2021) and FY 2026. Based on IGI's fourth quarter 2024 forecast of the 2021-based IPF market basket, the sum of the FY 2026 relative importance moving average of Wages and Salaries; Employee Benefits; Professional Fees: Labor-Related; Administrative and Facilities Support Services; Installation, Maintenance, and Repair Services; All Other: Labor-Related Services is 75.8 percent. We proposed, consistent with prior rulemaking, that the portion of Capital-Related costs that are influenced by the local labor market is 46 percent. Since the relative importance for Capital-Related costs is 6.7 percent of the 2021-based IPF market basket for FY 2026, we proposed to take 46 percent of 6.7 percent to determine a labor-related share of Capital-Related costs for FY 2026 of 3.1 percent. Therefore, we proposed a total labor-related share for FY 2026 of 78.9 percent (the sum of 75.8 percent for the labor-related share of operating costs and 3.1 percent for the labor-related share of Capital-Related costs). We also proposed that if more recent data became available, we would use such data, if appropriate, to determine the FY 2026 labor-related share for the final rule. For more information on the labor-related share and its calculation, we refer readers to the FY 2024 IPF PPS final rule (88 FR 51078 through 51081).

We solicited comments on the proposed labor-related share for FY 2026. The following is a summary of the comments we received and our responses.

Comment: A commenter expressed support for the proposed increase in the labor-related share for FY 2026. They also stated that CMS should consider a shorter period than 5 years for the next rebasing and revising of the IPF market basket and revision to the standard payment conversion factor labor share since the current labor share is based on FY 2021 cost reports and may not fully reflect the increase weight of labor in the overall index that hospitals experienced due to the COVID–19 PHE and labor shortages.

Response: We appreciate the commenter's support for the FY 2026 IPF labor-related share. We proposed to use the FY 2026 relative importance values for the labor-related cost categories from the 2021-based IPF market basket because it accounts for more recent data regarding price pressures and cost structure of IPFs. This methodology is consistent with the determination of the labor-related share since the implementation of the IPF PPS. As stated in the FY 2026 IPF proposed rule, we also proposed that if more recent data became available, we would use such data, if appropriate, to determine the FY 2026 labor-related share for the final rule. Based on IGI's second quarter 2025 forecast with historical data through the first quarter of 2025, the FY 2026 labor-related share for the final rule is 79.0 percent, which is 0.1 percentage point higher than the proposed rule.

We appreciate the commenter's request for us to consider a shorter period than 5 years for the next rebasing. We generally rebase the IPF market basket every 5 years, in part because the cost weights obtained from the Medicare cost reports did not indicate much of a change in the weights over shorter intervals. However, we recognize the commenter's concern and the potential impact of the PHE on the cost weights. Therefore, we have been regularly monitoring the Medicare cost report data to assess whether a rebasing is technically appropriate, and we will continue to do so in the future. As done historically, a rebasing of the IPF market basket would be proposed in rulemaking and subject to public comments.

Final Decision: After consideration of the comments, we are finalizing a FY 2026 labor-related share based on the latest available data. Based on IGI's second quarter 2025 forecast of the 2021-based IPF market basket, the sum of the FY 2026 relative importance moving average of Wages and Salaries; Employee Benefits; Professional Fees: Labor-Related; Administrative and Facilities Support Services; Installation, Maintenance, and Repair Services; All Other: Labor-Related Services is 75.9 percent. Since the relative importance for Capital-Related costs is 6.7 percent of the 2021-based IPF market basket for FY 2026, we take 46 percent of 6.7 percent to determine a labor-related share of Capital-Related costs for FY 2026 of 3.1 percent. Therefore, the total labor-related share for FY 2026 is 79.0 percent (the sum of 75.9 percent for the labor-related share of operating costs and 3.1 percent for the labor-related share of Capital-Related costs).

Table 1 shows the final FY 2026 labor-related share and the final FY 2025 labor-related share using the 2021-based IPF market basket relative importance.

TABLE 1—FY 2026 FINAL IPF LABOR-RELATED SHARE AND FY 2025 IPF LABOR-RELATED SHARE

	Relative importance, labor-related share FY 2025 [1]	Relative importance, labor-related share FY 2026 [2]
Wages and Salaries	53.6	53.7
Employee Benefits	14.1	14.2
Professional Fees: Labor-Related	4.7	4.7
Administrative and Facilities Support Services	0.6	0.6
Installation, Maintenance and Repair Services	1.2	1.2
All Other Labor-Related Services	1.5	1.5
Subtotal	75.7	75.9
Labor-related portion of Capital-Related (.46)	3.1	3.1
Total Labor-Related Share	78.8	79.0

[1] Based on the 2nd quarter 2024 IGI forecast of the 2021-based IPF market basket.
[2] Based on the 2nd quarter 2025 IGI forecast of the 2021-based IPF market basket.

B. Updates to the IPF PPS Rates for FY Beginning October 1, 2025

The IPF PPS is based on a standardized Federal per diem base rate calculated from the IPF average per diem costs and adjusted for budget neutrality in the implementation year. The Federal per diem base rate is used as the standard payment per day under the IPF PPS and is adjusted by the patient-level and facility-level adjustments that are applicable to the IPF stay. A detailed explanation of how we calculated the average per diem cost appears in the RY 2005 IPF PPS final rule (69 FR 66926).

1. Determining the Standardized Budget Neutral Federal Per Diem Base Rate

Section 124(a)(1) and (c) of the BBRA requires that we implement the IPF PPS in a budget neutral manner. In other words, the amount of total payments under the IPF PPS, including any payment adjustments, must be projected to be equal to the amount of total payments that would have been made if the IPF PPS were not implemented. Therefore, we calculated the budget neutrality factor by setting the total estimated IPF PPS payments to be equal to the total estimated payments that would have been made under the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) (Pub. L. 97–248) methodology had the IPF PPS not been implemented. A step-by-step description of the methodology used to estimate payments under the TEFRA payment system appears in the RY 2005 IPF PPS final rule (69 FR 66926).

Under the IPF PPS methodology, we calculated the final Federal per diem base rate to be budget neutral during the IPF PPS implementation period (that is, the 18-month period from January 1,

2005, through June 30, 2006) using a July 1 update cycle. We updated the average cost per day to the midpoint of the IPF PPS implementation period (October 1, 2005), and this amount was used in the payment model to establish the budget neutrality adjustment.

Next, we standardized the IPF PPS Federal per diem base rate to account for the overall positive effects of the IPF PPS payment adjustment factors by dividing total estimated payments under the TEFRA payment system by estimated payments under the IPF PPS. The information concerning this standardization can be found in the RY 2005 IPF PPS final rule (69 FR 66932) and the RY 2006 IPF PPS final rule (71 FR 27045). We then reduced the standardized Federal per diem base rate to account for the outlier policy, the stop loss provision, and anticipated behavioral changes. A complete discussion of how we calculated each component of the budget neutrality adjustment appears in the RY 2005 IPF PPS final rule (69 FR 66932 and 66933) and in the RY 2007 IPF PPS final rule (71 FR 27044 through 27046). The final standardized budget neutral Federal per diem base rate established for cost reporting periods beginning on or after January 1, 2005 was calculated to be $575.95.

The Federal per diem base rate has been updated in accordance with applicable statutory requirements and 42 CFR 412.428 through publication of annual notices or proposed and final rules. A detailed discussion on the standardized budget neutral Federal per diem base rate and the ECT payment per treatment appears in the FY 2014 IPF PPS update notice (78 FR 46738 through 46740). These documents are available on the CMS website at *https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientPsychFacilPPS/index.html.*

As discussed in sections IV.D.5. and IV.D.6. of this final rule, we proposed to revise the facility-level adjustment factors for FY 2026 pursuant to section 1886(s)(5)(D)(i) of the Act. Section 1886(s)(5)(D)(iii) of the Act requires that revisions to IPF payment rates implemented pursuant to section 1886(s)(5)(D)(i) of the Act must be made budget-neutrally. Therefore, as discussed in section IV.D.9. of this final rule, we proposed to apply a standardization factor to the FY 2026 base rate that takes these refinements of facility-level adjustments into account to keep total IPF PPS payments budget neutral.

2. Determining the Electroconvulsive Therapy (ECT) Payment per Treatment

In the RY 2005 IPF PPS final rule (69 FR 66951), we analyzed the costs of IPF stays that included ECT treatment using the FY 2002 Medicare Provider and Analysis Review (MedPAR) data based on comments we received on the RY 2005 IPF PPS proposed rule. Consistent with the comments we received about ECT, our analysis and review indicated that cases with ECT treatment are substantially more costly than cases without ECT treatment. Based on this analysis, in that final rule we finalized an additional payment for each ECT treatment furnished during the IPF stay. This ECT payment per treatment is made in addition to the per diem and outlier payments under the IPF PPS. To receive the payment per ECT treatment, IPFs must indicate on their claims the revenue code and procedure code for ECT (Rev Code 901; procedure code 90870) and the number of units of ECT, that is, the number of ECT treatments the patient received during the IPF stay.

To establish the ECT per treatment payment, we used the pre-scaled and pre-adjusted median cost for procedure code 90870 developed for the Hospital Outpatient Prospective Payment System (OPPS), based on hospital claims data. We explained in the RY 2005 IPF PPS final rule that we used OPPS data because after careful review and analysis of IPF claims, we were unable to separate out the cost of a single ECT treatment (69 FR 66922). We used the unadjusted hospital claims data under the OPPS because we did not want the ECT payment under the IPF PPS to be affected by factors that are relevant to OPPS, but not specifically applicable to IPFs. The median cost was then standardized and adjusted for budget neutrality. We also adjusted the ECT rate for wage differences in the same manner that we adjust the per diem rate.

Since the ECT payment rate was established in the RY 2005 IPF PPS rule, it has been updated annually by application of each year's market basket, productivity adjustment, and wage index budget neutrality factor to the previous year's ECT payment rate (referred to as our ''standard methodology'' in this section).

We last updated the ECT payment amount per treatment for FY 2025. As we explained in the FY 2025 IPF PPS proposed rule (89 FR 23146), we analyzed recent data from both the IPF PPS and the OPPS. Findings revealed that costs for IPF stays involving ECT were significantly more costly than stays without ECT, with cost driven primarily by longer stays and higher ancillary expenses. These IPF stays with ECT treatment, which accounted for only 1.7 percent of all IPF stays in 2022 (down from 6.0 percent in 2002), were approximately three times more costly than IPF stays without ECT treatment. We noted that on average, IPF stays with ECT cost $44,687.50 compared to $15,432.30 for IPF stays without ECT treatment in 2022, with notable increases in per-day costs and ancillary expenses. While our standard payment update methodologies would have resulted in only minor adjustments, the analysis indicated that the updates to the ECT payment rates since 2005 had not kept pace with rising costs.

To address this, we finalized a new ECT payment calculation based on the pre-scaled and pre-adjusted CY 2024 OPPS geometric mean cost, adjusted by the market basket update and wage index budget neutrality factor. We stated that the change to the ECT per treatment amount aligned payments more closely with the actual cost of providing ECT. We noted that the increase to the ECT per treatment amount would be associated with a minor decrease to the IPF per diem base rate as a result of the refinement standardization factor, and it would increase payments to facilities providing ECT. A complete discussion of the final FY 2025 ECT payment per treatment can be found in the FY 2025 IPF PPS final rule (89 FR 64591 through 64593).

3. Update of the Federal per Diem Base Rate and Electroconvulsive Therapy Payment per Treatment

The current (FY 2025) Federal per diem base rate is $876.53 and the ECT payment per treatment is $661.52. For the final FY 2026 Federal per diem base rate, we applied the final IPF market basket update of 2.5 percent (that is, the final 2021-based IPF market basket percentage increase for FY 2026 of 3.2 percent reduced by the final productivity adjustment of 0.7 percentage point), the final wage index budget neutrality factor of 1.0011 (as discussed in section IV.D.4.c. of this final rule), and the final refinement standardization factor of 0.9927 (as discussed in section IV.D.9. of this final rule) to the FY 2025 Federal per diem base rate of $876.53, yielding a final Federal per diem base rate of $892.87 for FY 2026. We applied the final IPF market basket update of 2.5 percent, the final wage index budget neutrality factor of 1.0011, and the final refinement standardization factor of 0.9927 to the final FY 2025 ECT payment per treatment of $661.52, yielding a final ECT payment per treatment of $673.85 for FY 2026.

Section 1886(s)(4)(A)(i) of the Act requires that for RY 2014 and each subsequent RY, in the case of an IPF that fails to report required quality data with respect to such RY, the Secretary will reduce any annual update to a standard Federal rate for discharges during the RY by 2.0 percentage points. Therefore, we applied a 2.0 percentage point reduction to the final annual update to the Federal per diem base rate and the final ECT payment per treatment as follows:

- For IPFs that fail to report required data under the IPFQR Program, we will apply a 0.5 percent payment rate update—that is, the final IPF market basket increase for FY 2026 of 3.2 percent reduced by the final productivity adjustment of 0.7 percentage point for an update of 2.5 percent, and further reduced by 2.0 percentage points in accordance with section 1886(s)(4)(A)(i) of the Act. We will also apply the refinement standardization factor of 0.9927 and the wage index budget neutrality factor of 1.0011 to the FY 2025 Federal per diem base rate of $876.53, yielding a Federal per diem base rate of $875.44 for FY 2026.
- For IPFs that fail to report required data under the IPFQR Program, we will apply a 0.5 percent payment rate update, the 0.9927 refinement standardization factor, and the 1.0011 wage index budget neutrality factor to the FY 2025 ECT payment per treatment of $661.52, yielding an ECT payment per treatment of $660.70 for FY 2026.

C. Updates to the IPF PPS Patient-Level Adjustment Factors

1. Overview of the IPF PPS Adjustment Factors

The IPF PPS payment adjustment factors were originally derived from a regression analysis of 100 percent of the FY 2002 MedPAR data file, which contained 483,038 cases. For a more detailed description of the data file used for this regression analysis, we refer readers to the RY 2005 IPF PPS final rule (69 FR 66935 and 66936).

In FY 2025, we implemented revisions to the methodology for determining payment rates under the IPF PPS, as required by section 1886(s)(5)(D) of the Act. We developed the current (FY 2025) adjustment factors based on a regression analysis of IPF cost and claims data. The primary sources of this analysis were CY 2019 through 2021 MedPAR files and Medicare cost report data (CMS Form 2552–10, OMB No. 0938–0050) from the FY 2019 through 2021 Hospital Cost Report Information System (HCRIS). For a more detailed description of the data files used for this regression analysis, we refer readers to the FY 2025 IPF PPS final rule (89 FR 64593 through 64601).

For FY 2026, we proposed to use the existing regression-derived patient-level adjustment factors established for FY 2025. We did not propose any changes to the patient-level adjustment factors for FY 2026; however, we used more recent claims data to simulate payments, to finalize the outlier fixed dollar loss threshold amount, and to assess the impact of the IPF PPS updates.

2. IPF PPS Patient-Level Adjustments

The IPF PPS includes payment adjustments for the following patient-level characteristics: Medicare Severity Diagnosis Related Groups (MS–DRGs) assignment of the patient's principal diagnosis, selected comorbidities, patient age, and the variable per diem adjustments.

a. Update to MS–DRG Assignment

We believe it is important to maintain for IPFs the same diagnostic coding and DRG classification used under the IPPS for providing psychiatric care. For this reason, when the IPF PPS was implemented for cost reporting periods beginning on or after January 1, 2005, we adopted the same diagnostic code set (ICD–9 Clinical Modification (CM)) and DRG patient classification system (MS–DRGs) that were utilized at the time under the IPPS. In the RY 2009 IPF PPS notice (73 FR 25709), we discussed CMS's effort to better recognize resource use and the severity of illness among patients. CMS adopted the new MS–DRGs for the IPPS in the FY 2008 IPPS final rule with comment period (72 FR 47130). In the RY 2009 IPF PPS notice (73 FR 25716), we provided a crosswalk to reflect changes that were made under the IPF PPS to adopt the new MS–DRGs. For a detailed description of the mapping changes from the original DRG adjustment categories to the current MS–DRG adjustment categories, we refer readers to the RY 2009 IPF PPS notice (73 FR 25714).

The IPF PPS includes payment adjustments for designated psychiatric DRGs assigned to the claim based on the patient's principal diagnosis. The DRG adjustment factors were expressed relative to the most frequently reported psychiatric DRG in FY 2002, that is, DRG 430 (psychoses). The coefficient values and adjustment factors were derived from the regression analysis discussed in detail in the RY 2004 IPF proposed rule (68 FR 66923; 66928 through 66933) and the RY 2005 IPF final rule (69 FR 66933 through 66960). Mapping the DRGs to the MS–DRGs resulted in 17 IPF MS–DRGs, instead of the original 15 DRGs, for which the IPF PPS provides an adjustment.

In the FY 2015 IPF PPS final rule (79 FR 45945 through 45947), we finalized conversions of the ICD–9–CM–based MS–DRGs to ICD–10–CM/Procedure Coding System (PCS)–based MS–DRGs, which were implemented on October 1, 2015. Further information on the ICD–10–CM/PCS MS–DRG conversion project can be found on the CMS ICD–10–CM website at *https://www.cms.gov/medicare/coding-billing/icd-10-codes/icd-10-ms-drg-conversion-project.*

In the FY 2025 IPF PPS final rule (89 FR 64602 through 64606), we revised the payment adjustments for designated psychiatric DRGs assigned to the claim based on the patient's principal diagnosis, following our longstanding policy of using the ICD–10–CM/PCS-based MS–DRG system. In that final rule, we identified 19 DRGs for which the IPF PPS adjusts payment. In addition, we implemented a sub-regulatory process to adopt routine coding updates that incorporate new or revised codes with an April 1 effective date (89 FR 64602 and 64603).

For FY 2026, we proposed to continue making the existing payment adjustments for psychiatric diagnoses that group to one of the existing 19 IPF MS–DRGs listed in Addendum A. We did not receive any comments on this proposal, and we are finalizing it as proposed. Addendum A is available on our website at *https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientPsychFacilPPS/tools.html.* Psychiatric principal diagnoses that do not group to one of the 19 designated MS–DRGs will still receive the Federal per diem base rate and all other applicable adjustments, but the payment will not include an MS–DRG adjustment.

The diagnoses for each IPF MS–DRG will be updated as of October 1, 2025, using the final IPPS FY 2026 ICD–10–CM/PCS code sets. The FY 2026 IPPS/LTCH PPS final rule will include tables of the changes to the ICD–10–CM/PCS code sets that underlie the final FY 2026 IPF MS–DRGs. Both the FY 2026 IPPS/LTCH PPS final rule and the tables of final changes to the ICD–10–CM/PCS code sets, which underlie the FY 2026 MS–DRGs, will be available on the CMS IPPS website at *https://www.cms.gov/medicare/payment/prospective-payment-systems/acute-inpatient-pps.*

Additionally, as discussed in the ICD–10–CM Official Guidelines for Coding and Reporting, certain conditions have both an underlying etiology and multiple body system manifestations

due to the underlying etiology. For such conditions, the ICD–10–CM has a coding convention that requires the underlying condition be sequenced first, followed by the manifestation. Wherever such a combination exists, there is a ''use additional code'' note at the etiology code, and a ''code first'' note at the manifestation code. These instructional notes indicate the proper sequencing order of the codes (etiology followed by manifestation). In accordance with the ICD–10–CM Official Guidelines for Coding and Reporting, when a primary (psychiatric) diagnosis code has a code first note, the provider will follow the instructions in the ICD–10–CM Tabular List. The submitted claim goes through the CMS processing system, which will identify the principal diagnosis code as non-psychiatric and search the secondary codes for a psychiatric code to assign a DRG code for adjustment. The system will continue to search the secondary codes for those that are appropriate for comorbidity adjustment. For more information on the code first policy, we refer readers to the RY 2005 IPF PPS final rule (69 FR 66945). We also refer readers to sections I.A.13 and I.B.7 of the FY 2020 ICD–10–CM Coding Guidelines, which is available at *https://www.cdc.gov/nchs/data/icd/10cmguidelinesFY2020_final.pdf.* In the FY 2015 IPF PPS final rule, we provided a code first table for reference that highlights the same or similar manifestation codes where the code first instructions apply in ICD–10–CM that were present in ICD–10–CM (79 FR 46009).

As discussed in the FY 2025 IPF PPS final rule (89 FR 64602 and 64603), we adopted a sub-regulatory approach to handle the coding updates, rather than discussing coding updates in the **Federal Register** during regulatory updates prior to implementation. This approach mirrors the approach taken by the IPPS, allows for flexibility in the ICD–10 code update process for the IPF PPS, and reduces the lead time for making routine coding updates to the IPF PPS code first list, comorbidities, and ECT coding categories.

In the FY 2026 IPF PPS proposed rule, we did not describe any code first changes effective for April 1, 2025, and we did not receive any comments about coding updates for the IPF PPS code first list. For this FY 2026 IPF PPS final rule, we are removing one ICD–10–CM diagnosis code and adding eight ICD–10–CM diagnosis codes to the IPF PPS code first list effective for October 1, 2025. The final FY 2026 Code First table is shown in Addendum B on the CMS website at *https://www.cms.gov/Medicare/Medicare-Fee-forService Payment/InpatientPsychFacilPPS/tools.html.*

b. Payment for Comorbid Conditions

The intent of the comorbidity adjustments is to recognize the increased costs associated with active comorbid conditions by providing additional payments for certain existing medical or psychiatric conditions that are expensive to treat.

Comorbidities are specific patient conditions that are secondary to the patient's principal diagnosis and that require active treatment during the stay. Diagnoses that relate to an earlier episode of care and have no bearing on the current hospital stay are excluded and must not be reported on IPF claims. Comorbid conditions must exist at the time of admission or develop subsequently, and affect the treatment received, length of stay (LOS), or both treatment and LOS.

For each claim, an IPF may receive only one comorbidity adjustment within a comorbidity category, but it may receive an adjustment for more than one comorbidity category. Current billing instructions for discharge claims, on or after October 1, 2015, require IPFs to enter the complete ICD–10–CM codes for up to 24 additional diagnoses if they co-exist at the time of admission, or develop subsequently and impact the treatment provided.

The IPF PPS comorbidity adjustments were originally determined based on the regression analysis using the diagnoses reported by IPFs in FY 2002. The principal diagnoses were used to establish the DRG adjustments and were not accounted for in establishing the comorbidity category adjustments, except where ICD–9–CM code first instructions applied. In a code first situation, the submitted claim goes through the CMS processing system, which identifies the principal diagnosis code as non-psychiatric and searches the secondary codes for a psychiatric code to assign an MS–DRG code for adjustment. The system continues to search the secondary codes for those that are appropriate for a comorbidity adjustment.

In FY 2025, we revised the comorbidity adjustment factors based on the results of the 2019 through 2021 regression analysis described in the FY 2025 IPF PPS final rule (89 FR 64606 through 64612). In addition, we made additions and changes to the comorbidity categories for which we adjust payment based on our analysis of ICD–10–CM codes currently included in each category as well as public comments received in response to the FY 2022 and FY 2023 IPF PPS proposed rules. Specifically, we removed 3 existing comorbidity categories, revised 2 existing comorbidity categories, and added 1 new comorbidity category. We finalized 15 comorbidity categories for FY 2025.

We did not propose any changes to the comorbidity adjustment factors, and we are retaining the existing comorbidity adjustment factors for FY 2026. The final FY 2026 comorbidity adjustment factors are found in Addendum A, available on the CMS website at *https://www.cms.gov/Medicare/Medicare-Fee-for-Service Payment/InpatientPsychFacilPPS/tools.html.*

As noted previously, it is our policy to maintain the same diagnostic coding set for IPFs that is used under the IPPS for providing the same psychiatric care. In the FY 2015 IPF PPS final rule (79 FR 45947 through 45955), the comorbidity categories formerly defined using ICD–9–CM codes were converted to ICD–10–CM/PCS. The goal for converting the comorbidity categories is referred to as replication, meaning that the payment adjustment for a given patient encounter is the same after ICD–10–CM implementation as it would be if the same record had been coded in ICD–9–CM and submitted prior to ICD–10–CM/PCS implementation on October 1, 2015. All conversion efforts were made with the intent of achieving this goal.

As discussed in section IV.C.2.a of this final rule, in the FY 2025 IPF PPS final rule (89 FR 64602 and 64603) we adopted an April 1 implementation date for ICD–10–CM diagnosis and ICD–10–PCS procedure code updates, in addition to the annual October 1 update, beginning with April 1, 2025 for the IPF PPS. Coding updates related to the IPF PPS comorbidity categories are adopted following a sub-regulatory process as finalized in the FY 2025 IPF PPS final rule (89 FR 64602 and 64603). In the FY 2026 IPF PPS proposed rule, we explained that for April 1, 2025, we added two ICD–10–PCS procedure codes to the Oncology Treatment Procedures list. We did not receive any comments on the April 1, 2025, coding changes.

For this FY 2026 IPF PPS final rule, we are adding 12 ICD–10–CM diagnosis codes to the Poisoning code list, removing 4 ICD–10–PCS procedure codes to the Oncology Treatment Procedure code list, and adding 2 ICD–10–CM diagnosis codes to the Oncology Treatment Diagnosis code list. The final FY 2026 comorbidity codes are shown in Addenda B, available on the CMS website at *https://www.cms.gov/Medicare/Medicare-Fee-for-*

ServicePayment/InpatientPsych FacilPPS/tools.html.

c. Patient Age Adjustments

As explained in the RY 2005 IPF PPS final rule (69 FR 66922), we analyzed the impact of age on per diem cost by examining the age variable (range of ages) for payment adjustments. In general, we found that the cost per day increases with age. The older age groups are costlier than the under 45 age group, the differences in per diem cost increase for each successive age group, and the differences are statistically significant. In FY 2025, we adopted revised patient age adjustments derived from the regression model using a blended set of 2019 through 2021 data (89 FR 64612 and 64613). For FY 2026, we proposed to use the patient age adjustments currently in effect for FY 2025.

We did not propose any changes to the patient age adjustment factors, and we are retaining the existing patient age adjustment factors for FY 2026, as shown in Addendum A of this final rule (see *https://www.cms.gov/Medicare/Medicare-Fee-for-ServicePayment/InpatientPsychFacilPPS/tools.html*).

d. Variable Per Diem Adjustments

We explained in the RY 2005 IPF PPS final rule (69 FR 66946) that the regression analysis indicated that per diem cost declines as the LOS increases. The variable per diem adjustments to the Federal per diem base rate account for ancillary and administrative costs that occur disproportionately in the first days after admission to an IPF. As discussed in the RY 2005 IPF PPS final rule, where a complete discussion of the variable per diem adjustments can be found, we used a regression analysis to estimate the average differences in per diem cost among stays of different lengths (69 FR 66947 through 66950). As a result of this analysis, we established variable per diem adjustments that begin on day 1 and decline gradually over the course of the patient's stay. In addition, the adjustment applied to day 1 depends upon whether the IPF has a qualifying ED. If an IPF has a qualifying ED, it receives a higher adjustment factor for day 1 of each stay than it would receive if it did not have a qualifying ED. The ED adjustment is explained in more detail in section IV.D.8. of this final rule.

In FY 2025, we revised the variable per diem adjustment factors based on the 2019 through 2021 regression analysis (89 FR 64613 and 64614). For FY 2026, we proposed to use the variable per diem adjustment factors currently in effect in FY 2025.

We did not propose any changes to the variable per diem adjustment factors, and we are retaining the existing variable per diem adjustment factors for FY 2026 as shown in Addendum A of this final rule (available at *https://www.cms.gov/Medicare/Medicare-Fee-for-ServicePayment/InpatientPsychFacilPPS/tools.html*).

D. Updates to the IPF PPS Facility-Level Adjustments

1. Overview of the IPF PPS Facility-Level Adjustment Factors

The IPF PPS includes facility-level adjustments for the wage index, IPFs located in rural areas, teaching IPFs, cost of living adjustments for IPFs located in Alaska and Hawaii, and IPFs with a qualifying ED. The facility-level adjustment factors currently in place for rural location and teaching status are the existing regression-derived factors established in the RY 2005 IPF final rule. As discussed in the following sections, we proposed annual updates to the FY 2026 IPF PPS wage index. In addition, we proposed to update the facility-level adjustment factors for rural location and teaching status for FY 2026 to reflect more recent cost and claims data.

2. History of IPF PPS Cost and Claims Analyses

In the FY 2023 IPF PPS proposed rule (87 FR 19428 and 19429), we briefly discussed past analyses and areas of interest for future refinement, about which we previously solicited comments. At the same time, CMS also released a technical report posted to the CMS website [3] accompanying the rule, summarizing these analyses. In that same proposed rule, we described the results of the agency's latest analysis of the IPF PPS and solicited comments on certain topics from the report. We summarized the considerations and findings related to our analyses of the IPF PPS adjustment factors in the FY 2023 IPF PPS final rule (46864 through 46865).

In the FY 2024 IPF PPS proposed rule (88 FR 21269 through 21272), we requested information from the public to inform revisions to the IPF PPS required by the CAA, 2023. Specifically, we sought information about which data and information would be most appropriate and useful for the purposes of refining IPF PPS payments. We requested information related to the specific types of data and information mentioned in the CAA, 2023. We also solicited comments on the reporting of ancillary charges, such as labs and drugs, on IPF claims.

In response to those requests for information in the FY 2024 IPF PPS proposed rule, commenters offered a number of suggestions for further analysis, including recommendations to consider adjusting payment for patients with sleep apnea, violent behavior, and patients that transfer from an acute care unit.

In the FY 2025 IPF PPS proposed rule, we discussed our latest regression analysis results and the methodology we used to calculate proposed revisions to the patient-level adjustment factors (89 FR 23154 through 23161). In that same proposed rule (89 FR 23161 through 23172), we also discussed the analyses that we conducted and our findings, as related to patient-level adjustment factors, in response to the comments we received on the FY 2024 IPF PPS proposed rule.

As we have previously noted in the FY 2025 IPF PPS proposed rule (89 FR 23154), the primary goal in refining the IPF PPS payment adjustment factors is to pay each IPF an appropriate amount for the efficient delivery of care to Medicare beneficiaries. The system must be able to account adequately for each IPF's case-mix to allow for both fair distribution of Medicare payments and access to adequate care for those beneficiaries who require more costly care. As required by section 1886(s)(5)(D)(iii) of the Act, revisions to the IPF PPS adjustment factors made pursuant to section 1886(s)(5)(D)(i) of the Act must be budget neutral. As discussed in section IV.D.9 of this final rule, we are applying a refinement standardization factor to the final IPF PPS payment rates to maintain budget neutrality for FY 2026.

3. Development of the Revised Regression for Facility-Level Refinements

In the FY 2026 IPF PPS proposed rule, we explained that we performed an extensive regression analysis of the relationship between the per diem costs and certain patient- and facility-level characteristics to analyze those characteristics associated with statistically significant cost differences. As discussed in section IV.C of this final rule, we finalized revisions to the IPF PPS patient-level adjustments in the FY 2025 IPF PPS final rule (89 FR 64593 through 64614). As a result, we used a constrained regression model for FY 2026 to hold the patient-level adjustments at the level finalized for FY 2025. We discuss the results of this constrained regression analysis in

[3] *https://www.cms.gov/files/document/technical-report-medicare-program-inpatient-psychiatric-facilities-prospective-payment-system.pdf.*

section IV.D.3.e of this final rule. We further discuss policies related to the revisions to the IPF PPS facility-level adjustment factors based on this regression analysis in sections IV.D.5 and IV.D.6 of this final rule.

For this FY 2026 IPF PPS final rule, we calculated a per diem cost (including routine and ancillary components) and identified patient and facility characteristics for each Medicare inpatient psychiatric stay using information from MedPAR files, Common Working File (CWF) inpatient claims, Medicare hospital cost reports, and other data sources for FY 2020 through FY 2022. We refer readers to the FY 2025 IPF PPS final rule for a discussion of the impact of the COVID–19 PHE and the benefits of using a combined set of data for the accuracy of the results (89 FR 64594).

We began with a base sample of IPF stays by Medicare FFS beneficiaries in MedPAR from FY 2020 through FY 2022, which contain a total of 712,543 stays from 1,650 IPFs. We applied several data restrictions and exclusions to remove stays with missing and or aberrant data. The final sample used for the regression analysis contained 704,472 stays from 1,633 IPFs, which reflects the removal of 17 providers and 8,071 stays.

In preparing the cost regression sample and analysis, we incorporated more recent input data and refined our data processing method, as described in this section. We estimated a baseline regression using the constrained model and conducted sensitivity analysis to confirm the robustness of our results.

a. Data Sources

For the regression analysis, our primary data sources include the annual MedPAR files, which provide stay-level summaries of IPF stays, and Medicare hospital cost reports, which contain provider-level data on costs, utilization, and other financial information. Additionally, we used the Common Working File (CWF) claims data, the Provider of Services (POS) files, and the Provider Specific File (PSF) to identify provider and patient characteristics and to construct variables in the regression model.

More specifically, we used the following sources of data:

- *MedPAR Files:* The annual MedPAR file compiles final action claims records for IPF stays discharged during the fiscal year. Each MedPAR record provides a summary of clinical characteristics, service utilization, facility billings, and Medicare coverage for an inpatient hospital stay. We use MedPAR to identify all IPF stays by Medicare FFS beneficiaries during the fiscal year, along with key variables such as MS–DRG, principal and secondary diagnosis, length of stay, patient age, admission source, provider charges by revenue center, and other patient and provider attributes. For the FY 2026 final rule cost regression, we used MedPAR files for FY 2020 through FY 2022.
- *Hospital Cost Reports:* Medicare hospital cost reports (CMS Form 2552–10; OMB control number 0938–0050) provide the key inputs for estimating the per diem cost of IPF stays, specifically the facility's routine per diem cost and Cost-to-Charge Ratios (CCRs) for detailed cost centers for each Federal FY. We also use hospital cost reports to obtain key facility characteristics, including teaching status, bed counts, and ownership type. For providers whose own fiscal periods align with the FY, we directly match their FY 2020–FY 2022 hospital cost reports to the corresponding MedPAR stays. For providers whose own fiscal periods differ from the FY, we use multiple years of hospital cost reports data and proportionally allocate and align them to the FY basis for FY 2020 through FY 2022 before linking them to other data sources. This allocation and alignment is discussed in greater detail later in this section of this final rule.
- *Common Working File (CWF) Inpatient Claims Data:* We use detailed claims data from the CWF to supplement MedPAR stay records, specifically obtaining data on covered charges by detailed revenue center and utilization of ECT treatments during each IPF stay. To promote internal consistency, we use the CWF claims data with the same final action week as the corresponding MedPAR record.
- *Provider of Services (POS) File:* The POS file contains facility characteristics such as name, address, and types of services provided. For the regression analysis for this FY 2026 IPF PPS final rule, we primarily use the POS file to identify providers' Federal Information Processing Series (FIPS) codes, which determine each provider's designated Core-Based Statistical Area (CBSA). The CBSA is then used to match providers with the corresponding geographic cost adjustment factor. Additionally, we use the POS file as a secondary source for provider ownership type.
- *Provider Specific Data for Public Use Files for the IPF PPS:* We use the Provider Specific File (PSF) to identify providers' COLA factors and other facility-level characteristics, including whether a facility has a qualified Emergency Department (ED).
- *IPF Market Baskets:* We used the historical IPF market basket increases and labor-related shares for the FY 2020–FY 2022 period.
- *IPF PPS Wage Index:* We use the IPF PPS wage index, along with COLA and labor-related share, to calculate the geographic cost adjustment factor, which accounts for regional cost differences among providers in each year. In this analysis, we used the FY 2024 IPF PPS wage index to adjust IPF costs in FY 2020, and FY 2025 IPF PPS wage index to adjust IPF costs in FY 2021 and FY 2022.

b. Trims and Assumptions

For the FY 2026 final rule regression analysis, we used a combined set of FY 2020 through FY 2022 MedPAR data, consistent with the approach we adopted for the FY 2025 IPF PPS proposed and final rules to revise the patient-level adjustment factors. Our analysis demonstrated that combining multiple years of data yields the most stable and consistent result. We continue to believe that using a 3-year combined set of data in the regression analysis helps smooth the impact of utilization changes driven by the COVID–19 PHE, as well as significant changes in staffing and labor costs that commenters noted in response to the FY 2023 and FY 2024 IPF PPS proposed rules. This data set best reflects the current cost of care as impacted by the COVID–19 PHE, which has an ongoing impact on IPF cost and utilization trends. Our approach mitigates the effect of these impacts in any single year by expanding the set of data.

Within the MedPAR dataset, we included inpatient hospital stays that met the following criteria:

- Hospital CMS Certification Number (CCN) contains ''40'', ''41'', ''42'', ''43'', or ''44'' in the third and fourth positions (freestanding psychiatric hospitals), a special unit code of ''S'' in the third position (psychiatric unit in an acute care hospital), a special unit code of ''M'' in the third position (psychiatric unit in a critical access hospital), or a special unit code of ''SA'', ''SB'', ''SC'', ''SD'', or ''SE'' in the third and fourth positions (psychiatric unit in a long-term care hospital (LTCH), rehabilitation hospital, or children's hospital).
- Beneficiary primary payer code is ''M'', ''N'', or blank, indicating that Medicare is the primary payer.
- Group Health Organization (GHO) paid code is zero or blank, indicating that a GHO has not paid the facility for the stay.

• National Claims History (NCH) claim type code is ''60,'' indicating a fee-for-service (FFS) inpatient claim.

• Covered charge and covered days (or Medicare utilization days) are greater than zero.[1]

For the FY 2020 through FY 2022 sample period, a total of 712,543 patient stays from 1,650 unique providers in MedPAR met these selection criteria. That includes 284,176 stays from 1,587 providers in FY 2020, 231,668 stays from 1,546 providers in FY 2021, and 196,699 stays from 1,522 providers in FY 2022.

Using this base sample, we applied a series of additional trimming steps to remove stays with missing or outlier cost data. A detailed description of how we estimate IPF per diem costs is provided in section IV.D.3.c of this-final rule. We removed the following:

• Stays with missing routine per diem cost data or missing provider hospital cost reports for the FY 2020–FY 2022 period. This step removed 240 stays from the sample, which came from 13 unique providers.

• Stays with extraordinarily high or low costs per day. Specifically, we removed 2,345 stays whose routine per diem costs fell outside the mean plus or minus 3.00 standard deviations of the natural logarithm of routine per diem costs in the combined 3-year sample. We also removed an additional 1,631 stays with total per diem costs that fell outside the mean plus or minus 3.00 standard deviations of the natural logarithm of total per diem costs in the combined 3-year sample. (All cost estimates were adjusted for geographic differences and year-over-year inflation.) In total, this trimming step removed 3,976 stays with extraordinarily high or low costs per day from 323 providers across the 3-year sample.[2]

Finally, we excluded all stays with an MS–DRG that is not recognized by the IPF PPS, which removed 3,855 stays from 954 providers from the remaining sample.

After these trimming steps, our final cost regression sample included 704,472 IPF stays by Medicare FFS beneficiaries from 1,633 unique IPF providers in MedPAR FY 2020 through FY 2022. This final sample consists of 280,959 stays from 1,569 providers in FY 2020, 229,125 stays from 1,521 providers in FY 2021, and 194,388 stays from 1,491 providers in FY 2022.

c. Calculation of the Dependent Variable

The regression model for this FY 2026 IPF PPS final rule uses the natural logarithm of the total per diem cost, adjusted for geographic differences and inflation, as the dependent variable. Total per diem costs are calculated as the sum of routine per diem costs and ancillary per diem costs, with both components including operating and capital costs.

• Routine per diem costs are derived from facility-level average routine cost per day reported in provider hospital cost reports as total inpatient routine costs divided by total inpatient days (Worksheet D–1, Part II, column 1, Line 41 divided by Line 9)[3] and assigned to individual patient stays within the facility.

• Ancillary per diem costs are calculated by applying the cost center cost-to-charge ratio (CCR) from the cost report to the covered charges from ancillary departments on CWF inpatient claims, then dividing by the number of Medicare covered days of the stay (available in MedPAR).

The total per diem costs (or costs per day) are further adjusted for geographic cost differences using IPF wage indices (for the labor-related share portion) and COLA factors (for the non-labor-related share portion for IPFs located in Alaska and Hawaii). Cost estimates are also adjusted for annual inflation based on the historical growth rates of the 2021-based IPF market basket.

To promote consistency, accuracy, and comparability of our data, we apply a series of methodological steps when calculating the dependent variable as follows:

(1) Addressing Variation in Cost Report Reporting Periods

Because providers can select their own fiscal/reporting periods for hospital cost reports, there is a lack of uniformity in the time periods covered by the raw cost report data from different providers. For example, within each annual HCRIS file, roughly 40 percent of the reports have a January through December cost reporting period (Calendar Year), 30 percent have a July through June cost reporting period, 15 percent have an October through September cost reporting period (Federal fiscal year (FFY), and the remaining 15 percent cover various other cost reporting periods. Moreover, some providers change their fiscal/reporting periods mid-year (sometimes due to an ownership change), resulting in shorter or longer hospital cost reports and, in some cases, multiple hospital cost reports within a single year.

To address this lack of uniformity in provider reporting periods and enhance data accuracy and consistency, we apply a re-allocation procedure to align all provider hospital cost reports data to the FFY basis before matching them to MedPAR stays. First, we allocate each provider's annual cost report data across the months, assuming uniform values per month within the reporting period. Then we regroup the monthly data to align with the FFY for each provider and calculate annual averages. When data for some months are missing, we use available partial-year data to extrapolate and construct the annual estimate.

For example, suppose a provider uses the CY as its cost reporting period. Its reported average routine per diem cost was $900 in CY 2019, $950 in CY 2020, $1000 in CY 2021, and $1100 in CY 2022. Its CCR for laboratory services is 0.30 in CY 2019, 0.25 in CY 2020, 0.32 in CY 2021, and 0.28 in CY 2022. Using the reallocation method, this provider's average routine per diem costs were $937.50 for FY 2020 (= 3/12*$900 + 9/12*$950), $987.50 for FY 2021, and $1,075.00 for FY 2022. Its CCR for laboratory services were 0.2625 for FY 2020, 0.3025 for FY 2021, and 0.2900 for FY 2022.

(2) Obtaining CCRs for Ancillary Cost Estimation

To estimate the costs of non-routine services provided during IPF stays, we group the cost centers from hospital cost reports and the revenue centers from CWF claims into 25 ''ancillary departments'': Pharmacy, Laboratory, Emergency Room, Medical/Surgical Supplies, Cardiology, Radiology, Magnetic Resonance Imaging (MRI), Physical Therapy, Occupational Therapy, Inhalation Therapy, Speech Pathology, Anesthesia, Operating Room, Intensive Care Unit (ICU), Coronary Care Unit (CCU), End Stage Renal Disease (ESRD), Professional Fees, Clinic Visit, Outpatient Services, Durable Medical Equipment (DME), Used DME, Blood, Blood Storage and Processing, Lithotripsy, and Other Services.[4]

For each ancillary department, we calculate each provider's CCR using the provider's cost report, Worksheet D. Specifically, we take ancillary department costs (Worksheet D–3, Column 3), subtract any positive inpatient pass-through costs (Worksheet D, Part IV, Column 11), and divide the result by ancillary department charges (Worksheet D–3, Column 2).[5]

To address extreme values and missing data in CCRs, we apply winsorization and imputation. For extreme values, we examine the distribution of CCR data (after aligning to FFY) for each ancillary department across providers from FY 2020 through FY 2022 and winsorize values at the 2nd and 98th percentiles. In addition,

we consider all CCRs lower than 0.01 or higher than 10.0 as improbable and recode them to 0.01 or 10.0, respectively.

After adjusting for extreme values, we impute missing CCRs using available data, prioritizing provider-specific information. (A CCR is considered missing only if the provider had charges from the ancillary department on MedPAR and CWF claims for that year but did not report a CCR.) If a provider's CCR for an ancillary department is missing for a given year but available in other years, we use the weighted average of the provider's CCRs for that ancillary department from other years (weights based on the provider's stay counts in those years) to fill in the missing value. If those data are unavailable, we use the provider's all-ancillary CCR for that year, the weighted average of the provider's all-ancillary CCRs from other years, or the median CCR for that ancillary department from other providers of the same type (freestanding or unit-based) for that year, in descending order of preference. For ancillary departments such as ICU and CCU, where CCRs are rarely reported despite the presence of service charges on claims, we use the median all-ancillary CCR from other providers of the same type to fill in missing values.

(3) Accounting for Geographic Differences and Inflation

To account for geographic differences in costs, we construct a geographic adjustment factor using the formula:

*Geographic cost adjustment factor = IPF wage index * labor-related share + COLA for AK and HI * (1-labor-related share).*

We adjust the labor-related portion of per diem costs using the IPF wage index to account for regional differences in labor costs, while the non-labor portion is adjusted using COLA factors for IPFs in Alaska and Hawaii. Because the IPF wage index reflects local cost differences with a lag, we adjust for that timing discrepancy by applying more recent IPF wage indexes to the FY 2020–FY 2022 MedPAR stays. (We remind readers that the IPF PPS wage index is based on the pre-floor, pre-reclassified IPPS hospital wage index, which in turn is derived from hospital cost reports data from approximately 3–4 years prior. For example, the FY 2025 IPF PPS wage index reflects cost data from local labor markets around 2021–2022.) For this analysis, we used the FY 2024 IPF PPS wage index to adjust IPF costs in FY 2020, and FY 2025 IPF PPS wage index to adjust IPF costs in FY 2021 and FY 2022.

Finally, to promote comparability across the 3 years, we adjust cost estimates for year-over-year inflation using historical IPF market basket increases and labor-related shares, converting all cost estimates into 2022 dollars.

We calculated routine per diem cost, ancillary per diem cost, and the total per diem using the approach discussed in this section for all IPF stays in our FY 2020–FY 2022 MedPAR sample. We then excluded stays with missing routine costs and outlier routine or total per diem costs, based on the approach described earlier in section IV.D.3.b of this final rule.

Among the 704,472 stays in the final FY 2020–FY 2022 cost regression sample, the median total per diem cost was $1,135 in 2022 dollars, with a range of $355 to $4,201 and a mean of $1,205 (the standard deviation was $539). Consistent with our approach in the FY 2025 IPF PPS final rule (89 FR 64596), the stays with zero ancillary charges were retained in the sample.

d. Independent Variables

The independent variables in the regression model represent patient-level and facility-level characteristics that influence the cost of an IPF stay. Some of these variables are adjustment-related, meaning that they are used for payment adjustments, while others are control variables, which are used to account for variation in the dependent variable associated with factors outside the adjustment factors in the payment model.

(1) Adjustment-Related Variables

Patient-level adjustment-related variables in the model include MS–DRG, comorbidity categories, patient age, and length of stay. Because we did not propose any changes to these patient-level adjustment factors in the FY 2026 IPF PPS proposed rule, we constrained their coefficients to their corresponding FY 2025 adjustment factor values in the regression, instead of estimating them in the model.

Facility-level adjustment-related variables in the model include the facility's teaching status and whether the facility is located in a rural area. (A facility's rural status in each year is determined based on its CBSA designation.) We refer readers to sections IV.D.4. and IV.D.5. of this-final rule for a more detailed explanation of the payment adjustment for rural location. In sections III.D.5. and III.D.6. of the proposed rule, we proposed to revise the IPF PPS payment adjustment factors for these two facility-level characteristics based on the estimated coefficients of these variables in the constrained regression.

(2) Control Variables

As we noted in the FY 2025 IPF PPS proposed and final rules (89 FR 23157; and 89 FR 64596 and 64597, respectively), the original regression model included a control variable for the presence of ECT because ECT is paid on a per-treatment basis under the IPF PPS. We continue to observe that IPF stays with ECT have significantly higher costs per day. For FY 2026 we will continue paying for ECT on a per-treatment basis; therefore, we included a control variable to account for the additional costs associated with ECT, which will continue to be paid outside the regression model.

Similarly, we included a control variable for stays with positive covered ED-related charges. To address the costs of maintaining an ED and providing ED services, IPF PPS pays facilities with a qualified ED an additional 26 percent of the payment rate for the first day of the stay. To prevent ED adjustment from serving as an incentive for unnecessary ED use, all stays in facilities with qualifying EDs receive the payment, except in cases when the admission source code is ''D,'' indicating that the patient was transferred from the inpatient part of the same facility. (In such cases, the ED costs would have already been covered under the preceding claim.) The 26 percent ED adjustment, updated in the FY 2025 IPF PPS final rule (89 FR 64635 and 64636), was calculated in a way that accounts for the percentage of stays with ED charges and different admission sources, and that calculation was performed outside the cost regression framework. Since our regression model includes all costs associated with each IPF stay, including ED costs, we included a control variable for stays with positive covered ED charges to control for the additional costs associated with ED services in this FY 2026 IPF PPS final rule.

Lastly, we included control variables for the data year. Since the model uses a combined set of data from 3 years, we adjusted cost estimates for year-over-year inflation using historical IPF market basket increases and labor-related shares. However, external factors beyond this inflation adjustment may have influenced cost differences across the 3 years included in our sample. These factors, such as the impact of the COVID–19 PHE, may affect cost variation in our sample period. To account for these additional year-related factors, we continued to include a set of

year controls in the FY 2026 IPF PPS final rule regression model.

e. Regression Results

We estimated the constrained regression using ordinary least squares (OLS) on 704,472 IPF stays from FY 2020 to FY 2022, clustering standard errors at the provider level. Table 2 presents the estimation results, along with the number and percentage of stays associated with each independent variable. The regression model has an R-squared value of 0.27799, meaning that the independent variables included in the regression (facility characteristics and control variables) were able to explain approximately 27.8 percent of the variation in per diem costs among IPF stays. We note that the R-squared value of our regression model is comparable to the R-squared values of prior models used for the IPF PPS (for example, see the R-squared value of 0.32340 in the FY 2025 IPF PPS final rule (89 FR 64597) and the finding that the payment model explained 33 percent of the variation in per diem cost among IPFs in the RY 2005 IPF PPS final rule (69 FR 66957)).

Except for the teaching variable, each of the adjustment factors presented in Table 2 is the exponentiated regression coefficient from our regression model, which as we previously noted uses the natural logarithm of per diem total cost as the dependent variable. We present the exponentiated regression results, as these most directly translate to the way that IPF PPS adjustment factors are calculated for payment purposes. That is, the exponentiated adjustment factors presented in this-final rule represent a percentage increase or decrease in per diem cost for IPF stays with each characteristic. In the case of the teaching variable, the result presented is the un-exponentiated regression coefficient. As discussed in section IV.D.6. of this final rule, the current IPF PPS teaching adjustment is calculated as 1 + a facility's ratio of interns and residents to its average daily census, raised to the power of 0.5150. The coefficient for teaching status presented in Table 2 can be interpreted in the same way.

Lastly, we consider regression factors to be statistically significant when the p-value is less than or equal to the significance level of 0.05 (*), 0.01 (**), and 0.001 (***), as notated in the Table 2 presented in this final rule.

We discuss the changes to the adjustment factors for IPFs located in rural areas and for teaching status in sections IV.D.5. and IV.D.6. of this final rule, respectively, and the refinement standardization factor in section IV.D.9. of this final rule.

TABLE 2—IPF PPS PER DIEM COST REGRESSION RESULTS WITH DATA FROM FY 2020 THROUGH FY 2022

Variable Description	Number of stays FY2020–FY2022	Percentage of Stays FY2020–FY2022	FY2025 adjustment factor	Estimated adjustment factor	Statistical significance
Total	704,472	100.0	.....	.....	.....
Provider: Rural	88,437	12.6	1.17	1.18	***
Provider: Teaching Status, log(1 + FTE Residents/Average Daily Census)	146,175	20.7	0.5150	0.7957	***
Control Variable: Stay Has ECT treatment	11,269	1.6	N/A	1.31	***
Control Variable: Stay Has Positive Covered ED Charge	227,647	32.3	N/A	1.46	***
Control Variable: Stay Discharged in FY2020	280,959	39.9	N/A	1.00	.....
Control Variable: Stay Discharged in FY2021	229,125	32.5	N/A	1.01	**
Control Variable: Stay Discharged in FY2022	194,388	27.6	N/A	1.03	***
MS–DRG 056: Degenerative Nervous System Disorders w MCC	4,251	0.6	1.12	.....	.....
MS–DRG 057: Degenerative Nervous System Disorders w/out MCC	33,401	4.7	1.11	.....	.....
MS–DRG 876: OR Procedures with Principal Diagnosis of Mental Health	671	0.1	1.29	.....	.....
MS–DRG 880: Acute Adjustment Reaction and Psychosocial Dysfunction	6,996	1.0	1.08	.....	.....
MS–DRG 881: Depressive Neuroses	19,756	2.8	1.06	.....	.....
MS–DRG 882: Neuroses Except Depressive	8,944	1.3	1.02	.....	.....
MS–DRG 883: Disorders of Personality and Impulse Control	5,067	0.7	1.17	.....	.....
MS–DRG 884: Organic Disturbances and Intellectual Disability	48,587	6.9	1.08	.....	.....
MS–DRG 885: Psychosis	529,855	75.2	1.00	.....	.....
MS–DRG 886: Behavioral and Developmental Disorders	1,340	0.2	1.07	.....	.....
MS–DRG 887: Other Mental Disorder Diagnoses	309	0.0	1.00	.....	.....
MS–DRG 894: Alcohol, Drug Abuse or Dependence, Left AMA	2,631	0.4	0.86	.....	.....
MS–DRG 895: Alcohol, Drug Abuse or Dependence w Rehab Therapy	10,346	1.5	0.90	.....	.....
MS–DRG 896: Alcohol, Drug Abuse or Dependence w/out rehab therapy w MCC	920	0.1	1.00	.....	.....
MS–DRG 897: Alcohol, Drug Abuse or Dependence w/out rehab therapy w/out MCC	29,884	4.2	0.95	.....	.....
MS–DRG 917: Poisoning and Toxic Effects of Drugs w MCC	128	0.0	1.19	.....	.....
MS–DRG 918: Poisoning and Toxic Effects of Drugs w/out MCC	742	0.1	1.12	.....	.....
MS–DRG 947: Signs and Symptoms w MCC	56	0.0	1.12	.....	.....
MS–DRG 948: Signs and Symptoms w/out MCC	588	0.1	1.09	.....	.....
Comorbidity: Artificial Openings—Digestive & Urinary	3,217	0.5	1.07	.....	.....
Comorbidity: Cardiac Conditions	19,478	2.8	1.04	.....	.....
Comorbidity: Chronic Obstructive Pulmonary Disease and Sleep Apnea	40,003	5.7	1.09	.....	.....
Comorbidity: Developmental Disabilities	24,782	3.5	1.04	.....	.....
Comorbidity: Eating Disorders	2,577	0.4	1.09	.....	.....
Comorbidity: Gangrene	207	0.0	1.12	.....	.....
Comorbidity: Oncology Treatment	10	0.0	1.44	.....	.....
Comorbidity: Poisoning	5,436	0.8	1.16	.....	.....
Comorbidity: Renal Failure, Acute	17,466	2.5	1.06	.....	.....
Comorbidity: Renal Failure, Chronic	42,544	6.0	1.08	.....	.....

TABLE 2—IPF PPS PER DIEM COST REGRESSION RESULTS WITH DATA FROM FY 2020 THROUGH FY 2022—Continued

Variable Description	Number of stays FY2020–FY2022	Percentage of Stays FY2020–FY2022	FY2025 adjustment factor	Estimated adjustment factor	Statistical significance
Comorbidity: Severe Musculoskeletal & Connective Tissue Disease	3,765	0.5	1.05		
Comorbidity: Severe Protein Malnutrition	4,907	0.7	1.17		
Comorbidity: Tracheostomy	260	0.0	1.09		
Comorbidity: Uncontrolled Diabetes	20,001	2.8	1.05		
Comorbidity: Intensive Management for High-Risk Behavior	18,815	2.7	1.07		
Ages: Under 45	208,334	29.6	1.00		
Ages: 45 and under 55 years	102,694	14.6	1.02		
Ages: 55 and under 60 years	61,728	8.8	1.05		
Ages: 60 and under 65 years	58,702	8.3	1.06		
Ages: 65 and under 70 years	83,972	11.9	1.09		
Ages: 70 and under 80 years	113,411	16.1	1.11		
Ages: 80 years and over	75,631	10.7	1.13		
Length of stay—1 day	15,429	2.2	1.28		
Length of stay—2 days	24,436	3.5	1.20		
Length of stay—3 days	36,245	5.1	1.15		
Length of stay—4 days	41,061	5.8	1.12		
Length of stay—5 days	46,857	6.7	1.08		
Length of stay—6 days	50,853	7.2	1.06		
Length of stay—7 days	54,636	7.8	1.03		
Length of stay—8 days	44,677	6.3	1.02		
Length of stay—9 days	36,935	5.2	1.01		
Length of stay—10 days	33,644	4.8	1.00		
Length of stay—11 days	30,418	4.3	1.00		
Length of stay—12 days	28,017	4.0	1.00		
Length of stay—13 days	28,089	4.0	1.00		
Length of stay—14 days	30,556	4.3	1.00		
Length of stay—15 days	21,953	3.1	1.00		
Length of stay—16 days	16,502	2.3	1.00		
Length of stay—17 days	14,126	2.0	1.00		
Length of stay—18 days	12,300	1.7%	1.00		
Length of stay—19 days	11,467	1.6	1.00		
Length of stay—20 days	11,702	1.7	1.00		
Length of stay—21 days	11,018	1.6	1.00		
Length of stay—22 days or longer	103,551	14.7	1.00		

4. Wage Index Adjustment

a. Background

As discussed in the RY 2007 IPF PPS final rule (71 FR 27061), and the RY 2009 IPF PPS (73 FR 25719) and RY 2010 IPF PPS notices (74 FR 20373), to provide an adjustment for geographic wage levels, the labor-related portion of an IPF's payment is adjusted using an appropriate wage index. Currently, an IPF's geographic wage index value is determined based on the actual location of the IPF in an urban or rural area, as defined in § 412.64(b)(1)(ii)(A) and (C).

Due to the variation in costs and because of the differences in geographic wage levels, in the RY 2005 IPF PPS final rule, we required that payment rates under the IPF PPS be adjusted by a geographic wage index. We proposed and finalized a policy to use the unadjusted, pre-floor, pre-reclassified IPPS hospital wage index to account for geographic differences in IPF labor costs. We implemented use of the pre-floor, pre-reclassified IPPS hospital wage data to compute the IPF wage index since there was not an IPF-specific wage index available. We believe that IPFs generally compete in the same labor market as IPPS hospitals, and therefore, the pre-floor, pre-reclassified IPPS hospital wage data should be reflective of labor costs of IPFs. We believe this pre-floor, pre-reclassified IPPS hospital wage index to be the best available data to use as proxy for an IPF-specific wage index. As discussed in the RY 2007 IPF PPS final rule (71 FR 27061 through 27067), under the IPF PPS, the wage index is calculated using the IPPS wage index for the labor market area in which the IPF is located, without considering geographic reclassifications, floors, and other adjustments made to the wage index under the IPPS. For a complete description of these IPPS wage index adjustments, we refer readers to the FY 2019 IPPS/LTCH PPS final rule (83 FR 41362 through 41390). Our wage index policy at § 412.424(a)(2) provides that we use the best Medicare data available to estimate costs per day, including an appropriate wage index to adjust for wage differences.

When the IPF PPS was implemented in the RY 2005 IPF PPS final rule, with an effective date of January 1, 2005, the pre-floor, pre-reclassified IPPS hospital wage index that was available at the time was the FY 2005 pre-floor, pre-reclassified IPPS hospital wage index. Historically, the IPF wage index for a given RY has used the pre-floor, pre-reclassified IPPS hospital wage index from the prior FY as its basis. This has been due in part to the pre-floor, pre-reclassified IPPS hospital wage index data that were available during the IPF rulemaking cycle, where an annual IPF notice or IPF final rule was usually published in early May. This publication timeframe was relatively early compared to other Medicare payment rules because the IPF PPS follows a RY, which was defined in the implementation of the IPF PPS as the 12-month period from July 1 to June 30 (69 FR 66927). Therefore, the best available data at the time the IPF PPS was implemented was the pre-floor, pre-reclassified IPPS hospital wage index from the prior FY (for example, the RY 2006 IPF wage index was based on the

FY 2005 pre-floor, pre-reclassified IPPS hospital wage index).

In the RY 2012 IPF PPS final rule, we changed the reporting year timeframe for IPFs from a RY to FY, which begins October 1 and ends September 30 (76 FR 26434 and 26435). In that FY 2012 IPF PPS final rule, we continued our established policy of using the pre-floor, pre-reclassified IPPS hospital wage index from the prior year (that is, from FY 2011) as the basis for the FY 2012 IPF wage index. This policy of basing a wage index on the prior year's pre-floor, pre-reclassified IPPS hospital wage index has been followed by other Medicare payment systems, such as hospice and inpatient rehabilitation facilities. By continuing with our established policy, we remained consistent with other Medicare payment systems.

In FY 2020, we finalized the IPF wage index methodology to align the IPF PPS wage index with the same wage data timeframe used by the IPPS for FY 2020 and subsequent years. Specifically, we finalized the use of the pre-floor, pre-reclassified IPPS hospital wage index from the FY concurrent with the IPF FY as the basis for the IPF wage index. For example, the FY 2020 IPF wage index was based on the FY 2020 pre-floor, pre-reclassified IPPS hospital wage index rather than on the FY 2019 pre-floor, pre-reclassified IPPS hospital wage index.

We explained in the FY 2020 proposed rule (84 FR 16973), that using the concurrent pre-floor, pre-reclassified IPPS hospital wage index will result in the most up-to-date wage data being the basis for the IPF wage index. We noted that it would also result in more consistency and parity in the wage index methodology used by other Medicare payment systems. We indicated that the Medicare skilled nursing facility (SNF) PPS already used the concurrent IPPS hospital wage index data as the basis for the SNF PPS wage index. We proposed and finalized similar policies to use the concurrent pre-floor, pre-reclassified IPPS hospital wage index data in other Medicare payment systems, such as hospice and inpatient rehabilitation facilities. Thus, the wage adjusted Medicare payments of various provider types are based upon wage index data from the same timeframe. For FY 2026, we proposed to continue to use the concurrent pre-floor, pre-reclassified IPPS hospital wage index as the basis for the IPF wage index.

In the FY 2023 IPF PPS final rule (87 FR 46856 through 46859), we finalized a permanent 5-percent cap on any decrease to a provider's wage index from its wage index in the prior year, and we stated that we will apply this cap in a budget neutral manner. In addition, we finalized a policy that a new IPF will be paid the wage index for the area in which it is geographically located for its first full or partial FY with no cap applied because a new IPF will not have a wage index in the prior FY. We amended the IPF PPS regulations at § 412.424(d)(1)(i) to reflect this permanent cap on wage index decreases. We refer readers to the FY 2023 IPF PPS final rule for a more detailed discussion about this policy.

In the FY 2026 IPF PPS proposed rule, we proposed to apply the IPF wage index adjustment to the labor-related share of the national IPF PPS base rate and ECT payment per treatment. As discussed in section IV.A.3 of this final rule, the final labor-related share of the IPF PPS national base rate and ECT payment per treatment is 79.0 percent in FY 2026. This percentage reflects the labor-related share relative importance of the 2021-based IPF market basket for FY 2026 and is 0.2 percentage point higher than the FY 2025 labor-related share.

The following is a summary of the comments we received on the proposed wage index adjustment and our responses.

Comment: A commenter recommended CMS apply the wage index 5-percent cap in a non-budget neutral manner.

Response: We did not propose any new policies this year pertaining to the 5-percent cap, and accordingly, we are not finalizing any new policies in this final rule. In accordance with our longstanding policy under the IPF PPS, we updated the wage index in such a way that total estimated payments to IPFs for FY 2026 are the same with or without the changes (that is, in a budget-neutral manner) by applying a budget neutrality factor to the IPF PPS rates. We applied the wage index cap in a budget-neutral manner in accordance with this overall budget neutrality policy for the IPF PPS wage index so that wage index changes do not increase aggregate Medicare spending. In the FY 2023 IPF PPS proposed rule (87 FR 19423 through 19425), we noted that applying a 5-percent cap on all wage index decreases would have a very small effect on the wage index budget neutrality factor for FY 2023. We explained that we anticipate that in the absence of proposed policy changes, most providers will not experience year to-year wage index declines greater than 5 percent in any given year and that we expect the impact to the wage index budget neutrality factor in future years will continue to be minimal.

Comment: Two commenters requested CMS revise the IPF wage index methodology. Specifically, the commenters suggested CMS revise the policy so that the post-reclassification and post-floor hospital IPPS wage index is used to calculate the wage index for IPFs. The commenter stated that the continued use of the pre-reclassification and pre-floor hospital inpatient wage index is unreasonable because it places IPFs at a disadvantage in the labor markets in which they operate relative to hospitals in the same markets. In addition, a commenter urged CMS to apply an out-migration adjustment to IPFs to account for the employment of hospital employees who reside in one county but commute to work in a county with a higher wage index.

Response: We appreciate the commenters' recommendations. We did not propose the specific policies suggested by commenters, but we will take these recommendations into consideration to potentially inform future rulemaking. We do not believe that the continued use of the pre-reclassification and pre-floor hospital inpatient wage index for FY 2026 is unreasonable or that this policy puts IPFs at a disadvantage relative to hospitals in the labor markets in which they operate. As we have previously discussed in the RY 2007 final rule (71 FR 27066), we believe that the actual location of an IPF (as opposed to the location of affiliated providers) is most appropriate for determining the wage adjustment because the prevailing wages in the area in which the IPF is located influence the cost of a case. In that same RY 2007 final rule (71 FR 27066), we also stated that we believe the ''rural floor'' is required only for the acute care hospital payment system because section 4410 of the Balanced Budget Act of 1997 (Pub. L. 105–33) applies specifically to acute care hospitals and not excluded hospitals and excluded units. As we have previously discussed, the IPF wage index is intended to be a relative measure of the value of labor in prescribed labor market areas (87 FR 46857). There are a variety of reasons why our longstanding IPF wage index policy have not applied floors or reclassifications, which, as we previously noted, are not applied to the IPF wage index by statute. For example, applying floors and reclassifications to the IPF wage index would significantly increase administrative burden, both for IPFs and for CMS, associated with IPFs reclassifying from one CBSA to another, and it would significantly increase the

complexity of the methodology. Furthermore, because floors and reclassifications would be applied budget-neutrally under the wage index, these policies would increase the wage index for some IPFs while reducing IPF PPS payments for all other IPFs, which would upset the long-settled expectations with which IPFs across the country have been operating. For these reasons, we believe using the pre-floor, pre-reclassified IPPS hospital wage index is the most appropriate data to use as a proxy for an IPF wage index. We appreciate the commenter's suggestion to apply an out-migration adjustment to IPFs to account for employment of hospital staff who commute to work in counties with a higher wage index. However, we note that the out-migration adjustment is applied to the IPPS hospital wage index under section 1886(d)(13) of the Act, which is a statutory provision that specifically applies to subsection (d) hospitals paid under the IPPS. As discussed in the prior paragraph, we do not believe it is appropriate for the IPF PPS to apply an out-migration adjustment that is not statutorily required, because such a policy would increase administrative burden and have distributional impacts on IPFs.

Final Decision: After consideration of the comments received, we are finalizing our proposal for FY 2026 to continue to use the concurrent pre-floor, pre-reclassified IPPS hospital wage index as the basis for the IPF wage index. We will apply the IPF wage index adjustment to the labor-related share of the national base rate and ECT payment per treatment. The labor-related share of the national rate and ECT payment per treatment will change from 78.8 percent in FY 2025 to 79.0 percent in FY 2026. This percentage reflects the labor-related share of the 2021-based IPF market basket for FY 2026 (see section IV.A.3 of this final rule).

b. Office of Management and Budget (OMB) Bulletins

The wage index used for the IPF PPS is calculated using the unadjusted, pre-reclassified and pre-floor IPPS wage index data and is assigned to the IPF based on the labor market area in which the IPF is geographically located. IPF labor market areas are delineated based on the Core-Based Statistical Area (CBSAs) established by the OMB.

Generally, OMB issues major revisions to statistical areas every 10 years, based on the results of the decennial census. However, OMB occasionally issues minor updates and revisions to statistical areas in the years between the decennial censuses through OMB Bulletins. These bulletins contain information regarding CBSA changes, including changes to CBSA numbers and titles. In accordance with our established methodology, the IPF PPS has historically adopted any CBSA changes that are published in the OMB bulletin that corresponds with the IPPS hospital wage index used to determine the IPF wage index and, when necessary and appropriate, has proposed and finalized transition policies for these changes.

In the RY 2007 IPF PPS final rule (71 FR 27061 through 27067), we adopted the changes discussed in OMB Bulletin No. 03–04 (June 6, 2003), which announced revised definitions for Metropolitan Statistical Areas (MSAs), and the creation of Micropolitan Statistical Areas and Combined Statistical Areas. We refer readers to the FY 2007 IPF PPS final rule (71 FR 27064 and 27065) for a complete discussion regarding treating Micropolitan Areas as rural. In adopting the OMB CBSA geographic designations in RY 2007, we did not provide a separate transition for the CBSA-based wage index since the IPF PPS was already in a transition period from TEFRA payments to PPS payments.

In the RY 2009 IPF PPS notice, we incorporated the CBSA nomenclature changes published in the most recent OMB bulletin that applied to the IPPS hospital wage index used to determine the current IPF wage index and stated that we expected to continue to do the same for all the OMB CBSA nomenclature changes in future IPF PPS rules and notices, as necessary (73 FR 25721).

Subsequently, CMS adopted the changes that were published in past OMB bulletins in the FY 2016 IPF PPS final rule (80 FR 46682 through 46689), the FY 2018 IPF PPS rate update (82 FR 36778 and 36779), the FY 2020 IPF PPS final rule (84 FR 38453 and 38454), and the FY 2021 IPF PPS final rule (85 FR 47051 through 47059). We direct readers to each of these rules for more information about the changes that were adopted and any associated transition policies.

As discussed in the FY 2023 IPF PPS final rule, we did not adopt OMB Bulletin 20–01, which was issued March 6, 2020, because we determined this bulletin had no material impact on the IPF PPS wage index. This bulletin creates only one Micropolitan statistical area, and Micropolitan areas are considered rural for the IPF PPS wage index. That is, the constituent county of the new Micropolitan area was considered rural effective as of FY 2021 and would continue to be considered rural if we adopted OMB Bulletin 20–01.

In the FY 2025 IPF PPS final rule (89 FR 64614 through 64633), we adopted the updates set forth in OMB Bulletin No. 23–01 effective July 21, 2023, beginning with the FY 2025 IPF PPS wage index. These updates included material changes to the OMB statistical area delineations, which included 53 urban counties that became rural, 54 rural counties that became urban, and 88 counties that moved to a new or modified CBSA. These updates also included replacing the 8 counties in Connecticut with 9 new ''Planning Regions.'' Planning regions now serve as county-equivalents within the CBSA system. OMB Bulletin No. 23 may be accessed online at *https://www.whitehouse.gov/wp-content/uploads/2023/07/OMB-Bulletin-23-01.pdf.*

Given the scope of changes involved in adopting the CBSA delineations for FY 2025, we finalized a budget neutral 3-year phase out policy for IPFs transitioning from rural to urban based on CBSA revisions, as discussed further in section IV.D.5.c of this final rule. We also applied the permanent 5-percent cap on wage index decreases described at § 412.424(d)(1)(i).

c. Wage Index Budget Neutrality Adjustment

In accordance with § 412.424(c)(5), changes to the wage index are made in a budget neutral manner so that updates do not increase expenditures. Therefore, for FY 2026, we are continuing to apply a budget neutrality adjustment in accordance with our existing budget neutrality policy. This policy requires us to update the wage index in such a way that total estimated payments to IPFs for FY 2026 are the same with or without the changes (that is, in a budget neutral manner) by applying a budget neutrality factor to the IPF PPS rates. We will use the following steps to ensure that the rates reflect the FY 2026 update to the wage indexes (based on FY 2022 hospital cost report data) and the labor-related share in a budget-neutral manner:

Step 1: Simulate estimated IPF PPS payments, using the FY 2025 IPF wage index values (available on the CMS website) and labor-related share (as published in the FY 2025 IPF PPS final rule (89 FR 64582)).

Step 2: Simulate estimated IPF PPS payments using the FY 2026 IPF wage index values (available on the CMS website), and the FY 2026 labor-related share (based on the latest available data as discussed previously).

Step 3: Divide the amount calculated in step 1 by the amount calculated in step 2. The resulting quotient is the FY 2026 budget neutral wage adjustment factor of 1.0011.

Step 4: Apply the FY 2026 budget neutral wage adjustment factor from step 3 to the FY 2025 IPF PPS Federal per diem base rate after the application of the final IPF market basket increase reduced by the final productivity adjustment described in section IV.A.2 of this final rule to determine the final FY 2026 IPF PPS Federal per diem base rate. As discussed in section IV.D.9 of this final rule, we are also applying a refinement standardization factor to determine the FY 2026 IPF PPS Federal per diem base rate.

5. Adjustment for Rural Location

a. Background

In the RY 2005 IPF PPS final rule (69 FR 66954), we provided a 17-percent payment adjustment for IPFs located in a rural area. This adjustment was based on the regression analysis, which indicated that the per diem cost of rural facilities was 17 percent higher than that of urban facilities after accounting for the influence of the other variables included in the regression. This 17-percent adjustment has been part of the IPF PPS each year since the inception of the IPF PPS. In the FY 2025 IPF PPS final rule, we revised the patient-level adjustment factors and changed the CBSA delineations. To minimize the scope of changes that would impact providers in any single year, we maintained the existing regression-derived adjustment factor, which was established in RY 2005, for IPFs located in a rural area as defined at § 412.64(b)(1)(ii)(C) for FY 2025. See the RY 2005 IPF PPS final rule (69 FR 66954) for a complete discussion of the adjustment for rural locations.

b. Adjustment for Rural Location

As discussed in section IV.D.3. of this FY 2026 IPF PPS final rule, we have completed analysis of more recent cost and claims data, which indicate that revisions to the facility-level IPF PPS payment adjustment factors would be appropriate.

In the FY 2025 IPF PPS proposed rule, we included a request for information (RFI) regarding a potential revision to the payment adjustment for rural location (89 FR 23194 and 23195); we refer readers to section V.A. of the FY 2025 IPF PPS final rule (89 FR 64641) for summaries of the comments we received, and our responses. In the FY 2026 IPF PPS proposed rule, we explained that we took the comments received into consideration for development of the proposed FY 2026 revision of the payment adjustment for rural location.

As discussed in section IV.D.3. of this FY 2026 IPF PPS final rule, we proposed to derive updated IPF PPS facility-level adjustment factors for FY 2026 using a regression analysis of data from the FY 2020 through 2022 MedPAR data files and Medicare cost report data from the FY 2020 through 2022 Hospital Cost Report Information System (HCRIS). More information about the data used for the impact simulations is found in section VII.C. of this FY 2026 IPF PPS final rule.

For FY 2026, we proposed to increase the rural adjustment to 18 percent. Our regression analysis described in section IV.D.3 of this final rule indicates that this revised adjustment more accurately represents the difference in costs between urban and rural IPFs. As discussed in section IV.D.9 of this final rule, we proposed to implement this revision to the rural adjustment budget-neutrally. A detailed discussion of the distributional impacts of this change is found in section VII.C. of this final rule.

We solicited comments on the proposed revision to the payment adjustment for rural location. Lastly, we proposed that if more recent data become available, we would consider using such data to determine the final FY 2026 adjustment factor for rural location. As discussed in section IV.D.3 of this final rule, our updated regression analysis for this final rule incorporated more recent claims data. The regression analysis of this updated data yields an FY 2026 adjustment factor for rural location of 18 percent; this result is consistent with the rural adjustment factor we proposed for FY 2026.

The following is a summary of the comments we received and our responses.

Comment: Several commenters supported the update of the adjustment factor for rural location. A commenter appreciated this update to reflect more recent data, completing the updates of both patient-level and facility-level adjustment factors in FY 2025 and in this final rule.

A commenter advocated for a larger increase to 20 percent or more to be implemented with new funding; another suggested that the proposed update to 18 percent be implemented non-budget neutrally to avoid lowering payments for urban facilities. Commenters also suggested exploring policy alternatives like a low-volume adjustment, a small facility supplemental payment, or extension of the rural designation and payment adjustment to all safety net facilities.

Response: We appreciate the commenters' support for updating the adjustment factor for rural location. We share the commenters' concerns regarding protecting access to inpatient psychiatric care in rural areas but note that our regression analysis does not support an adjustment of 20 percent. We additionally note that section 1886(s)(5)(D)(iii) of the Act requires that revisions to the IPF PPS payment rates implemented pursuant to section 1886(s)(5)(D)(i) of the Act be made budget neutrally. We thank commenters for their policy suggestions for improving the IPF PPS and will take these suggestions into consideration as we continue to analyze and revise the IPF PPS in future years.

Final Decision: After consideration of the comments, we are finalizing an increase in the rural adjustment to 18 percent as proposed. Our regression analysis described in section IV.D.3 of this final rule indicates that this increased adjustment more accurately represents the difference in costs between urban and rural IPFs. This revision to the rural adjustment will be implemented budget-neutrally, as proposed. A detailed discussion of the distributional impacts of this change is found in section VII.C. of this final rule.

c. Continuation of Rural Transition

The adoption of OMB Bulletin No. 23–01 in the FY 2025 IPF PPS final rule (89 FR 64632) in accordance with our established methodology determines whether a facility is classified as urban or rural for purposes of the rural payment adjustment in the IPF PPS. Implementation of the updated OMB delineations results in the rural payment adjustment being applied where it is appropriate to adjust for higher costs incurred by IPFs in rural locations; however, these changes have distributional effects among IPF providers. Some providers lost eligibility for the rural payment adjustment in FY 2025 as a result of these changes. Therefore, we provided a transition period to implement the updated OMB delineations (89 FR 64633).

In the FY 2025 IPF PPS final rule, we phased out the rural adjustment for facilities located in a county that transitioned from rural to urban due to the changes outlined in OMB Bulletin 23–01. We implemented a 3-year budget neutral phase-out of the rural adjustment for IPFs located in the 54 rural counties that would become urban under the new OMB delineations, given the potentially significant payment

impacts for these IPFs (89 FR 64632 and 64633), consistent with the transition policy we adopted for IPFs in FY 2016 (80 FR 46682 through 46689). Under this 3-year phase-out, for FY 2026, IPFs that became urban due to these OMB delineation changes will receive one-third of the rural adjustment that was applicable in FY 2024. For FY 2027, these IPFs will not receive a rural adjustment.

6. Teaching Adjustment

a. Background

In the RY 2005 IPF PPS final rule, we implemented regulations at § 412.424(d)(1)(iii) to establish a facility-level adjustment for IPFs that are, or are part of, teaching hospitals (69 FR 66954 through 66957). The teaching adjustment accounts for the higher indirect operating costs experienced by hospitals that participate in graduate medical education (GME) programs. As detailed further in the following paragraphs, the payment adjustments are made based on the ratio of the number of fulltime equivalent (FTE) interns and residents training in the IPF to the IPF's average daily census.

Medicare makes direct GME payments (for direct costs such as resident and teaching physician salaries, and other direct teaching costs) to all teaching hospitals, including those paid under a PPS and those paid under the TEFRA rate-of-increase limits. These direct GME payments are made separately from payments for hospital operating costs and are not part of the IPF PPS. The direct GME payments do not address the estimated higher indirect operating costs teaching hospitals may face.

The results of the regression analysis of FY 2002 IPF data established the basis for the payment adjustments included in the RY 2005 IPF PPS final rule. The results showed that the indirect teaching cost variable is significant in explaining the higher costs of IPFs that have teaching programs. We calculated the teaching adjustment based on the IPF's ''teaching variable,'' which is (1 + [the number of FTE residents training in the IPFs divided by the IPF's average daily census]). The teaching variable is then raised to the 0.5150 power, resulting in the IPF PPS teaching adjustment. This formula is subject to limitations on the number of FTE residents, which are discussed in greater detail in this final rule at section IV.D.6.c.

We established the teaching adjustment in a manner that limited the incentives for IPFs to add FTE residents for the purpose of increasing their teaching adjustment. We imposed a cap on the number of FTE residents that may be counted for purposes of calculating the teaching adjustment. The cap limits the number of FTE residents that teaching IPFs may count for the purpose of calculating the IPF PPS teaching adjustment, not the number of residents teaching institutions can hire or train. We calculated the number of FTE residents that trained in the IPF during a ''base year'' and used that FTE resident number as the cap. An IPF's FTE resident cap is ultimately determined based on the final settlement of the IPF's most recent cost report filed before November 15, 2004 (69 FR 66955). A complete discussion of the temporary adjustment to the FTE cap to reflect residents due to hospital closure or residency program closure appears in the RY 2012 IPF PPS proposed rule (76 FR 5018 through 5020) and the RY 2012 IPF PPS final rule (76 FR 26453 through 26456). As discussed in section IV.D.6.c. of this final rule, we proposed to make conforming changes to the IPF resident cap policy beginning in FY 2026 to recognize permanent cap increases awarded under section 4122 of the CAA, 2023.

In the regression analysis that informed the RY 2004 IPF PPS final rule, the logarithm of the teaching variable had a coefficient value of 0.5150. We converted this cost effect into a teaching payment adjustment by treating the regression coefficient as an exponent and raising the teaching variable to a power equal to the coefficient value. We note that the coefficient value of 0.5150 was based on the regression analysis holding all other components of the payment system constant. A complete discussion of how the teaching adjustment was calculated appears in the RY 2005 IPF PPS final rule (69 FR 66954 through 66957) and the RY 2009 IPF PPS notice (73 FR 25721).

b. Revision to the IPF PPS Teaching Adjustment

As we previously described in section IV.D.3.e. of this final rule, we have completed analysis of more recent cost and claims data, which indicate that revisions to the facility-level IPF PPS payment adjustment factors would be appropriate. Accordingly, we proposed to revise the IPF PPS teaching adjustment for FY 2026 based on these results.

In the FY 2025 IPF PPS proposed rule, we included an RFI regarding a potential revision to the payment adjustment for teaching status (89 FR 23194 and 23195); we refer readers to section V.A. of the FY 2025 IPF PPS final rule (89 FR 64641) for summaries of the comments we received, and our responses. In general, commenters were supportive of increasing the IPF teaching adjustment based on the more recent analysis presented in that FY 2025 proposed rule. In the FY 2026 IPF PPS proposed rule, we explained that we took these previous comments into consideration when we developed our proposal for the FY 2026 revision of the payment adjustment for teaching status.

For FY 2026, we proposed to increase the teaching adjustment to 0.7981, based on the results of our latest regression model (90 FR 18494, 18510). We explained that this un-exponentiated regression coefficient for the teaching status variable was found to be statistically significant at the 0.001 level. We stated that in accordance with our longstanding methodology, we would convert this cost effect to a teaching payment adjustment by treating the regression coefficient as an exponent and raising the teaching variable to a power equal to the coefficient value. In the FY 2026 IPF PPS proposed rule, we stated that we believe increasing the teaching adjustment from 0.5150 to 0.7981 would more appropriately adjust IPF PPS payments for IPFs that have qualified teaching programs and would address the estimated higher indirect operating costs for teaching IPFs (90 FR 18494, 18511). As discussed in section IV.D.9 of this final rule, we proposed to implement this revision to the teaching adjustment budget-neutrally. A detailed discussion of the distributional impacts of this change is found in section VII.C. of this final rule.

We solicited comments on this proposed revision to the payment adjustment for teaching status. Lastly, we proposed that, if more recent data were to become available, we would consider using such data to determine the final FY 2026 adjustment factor for teaching status. The following is a summary of the comments we received and our responses.

Comment: Commenters were supportive of CMS's proposal to increase the IPF PPS teaching status adjustment from 0.5150 to 0.7981. A commenter noted that the teaching adjustment presently in use was derived from 2002 data and stated their support for an update using more recent data.

Response: We appreciate these comments in support of an update to the teaching status adjustment. As discussed in section IV.D.3.e. of this FY 2026 IPF PPS final rule, we note that we have revised our regression model for FY 2026 based on the latest available

cost and claims data, as proposed. We believe the results of our latest regression model best address the estimated higher indirect operating costs for teaching IPFs and will most appropriately adjust IPF PPS payments for IPFs that have qualified teaching programs.

Comment: Some commenters who expressed support for the update to the teaching adjustment nevertheless expressed concerns about payment stability. A commenter stated that the proposed increase to the adjustment for teaching could lead to large swings in payment. A commenter stated that the proposed changes to the teaching and rural adjustment factors together would necessitate an adjustment of nearly three-quarters of 1 percentage point, for budget neutrality. These commenters suggested the adjustment be phased in over 2 years to mitigate negative distributional impacts on payments to non-teaching hospitals.

Response: We thank the commenters for the suggestion to phase in the proposed increase to the teaching adjustment over 2 years. Given the requirement under section 1886(s)(5)(D)(3) of the Act to apply revisions to the IPF PPS budget-neutrally, we estimate that the proposed increase to the teaching adjustment would result in distributional impacts across IPFs. However, we note that the total effect of the proposed facility-level revisions (to the adjustments for both rural location and teaching status) is a reduction of only $6.56 to the final FY 2026 IPF PPS Federal per diem base rate, which we believe IPFs have historically been able to adapt to in a single year.

Moreover, our analysis indicates that the largest decrease any provider will experience as a result of the increase in the teaching adjustment is 0.6 percent. By comparison, we have historically considered a 5 percent decrease (in a provider's wage index, for example), to be a level at which a policy limiting the decrease should be considered. We do not agree that the effect of the increase in the teaching adjustment on the base rate is substantial enough to warrant phasing in over 2 years. Additionally, we note that our latest analysis shows that IPFs with teaching programs have significantly higher costs than our current teaching adjustment recognizes. We believe that implementing the full revised teaching adjustment in FY 2026 would best support teaching facilities by more appropriately aligning IPF PPS payment with the level of resources involved in the delivery of care to Medicare beneficiaries.

Comment: Several commenters called for additional measures to expand the workforce in psychiatry and other clinicians providing mental health services. A few commenters broadly advocated for more training programs, training slots, and funding. Another commenter recommended that CMS consider complementary strategies that would support development of the IPF workforce at non-teaching hospitals, which could include incentive payments or launching a demonstration project at non-teaching hospitals to support new psychiatry residency rotations or training for non-physician practitioners.

Response: We appreciate the commenters' suggestions; however, these comments are out of scope with regard to the current IPF PPS proposal. We will consider these suggestions to potentially inform future rulemaking.

Final Decision: After consideration of the comments we received, we are finalizing a teaching adjustment of 0.7957 for FY 2026 based on the latest available data. In accordance with our longstanding methodology, we will convert this cost effect to a teaching payment adjustment by treating the regression coefficient as an exponent and raising the teaching variable to a power equal to the coefficient value. This revision to the rural adjustment will be implemented budget-neutrally.

c. Update to IPF PPS Resident Caps

As we described earlier in this FY 2026 IPF PPS final rule, the IPF PPS teaching adjustment includes a policy of capping the number of FTE residents that an IPF can include in the calculation of its teaching adjustment. As previously noted, we established this policy to limit the incentives for IPFs to add FTE residents for the purpose of increasing their teaching adjustment, in keeping with CMS's statutory responsibility under the requirements of the Balanced Budget Act of 1997 (BBA) (Pub. L. 105–33). In the RY 2005 IPF PPS final rule (69 FR 66955), we noted that the IPF PPS statute did not require us to impose resident FTE caps, but we recognized that if we imposed no limits on the teaching adjustment under the IPF PPS, teaching programs in those facilities could grow and receive payments in a manner that would be inconsistent with the methodology for teaching hospitals paid under the IPPS. In addition, we were concerned that if a teaching hospital had a distinct part psychiatric unit and had a number of FTE residents above the amount recognized for reimbursement under the limits established by the Balanced Budget Act of 1997 (BBA) (Pub. L. 105–33), the hospital could potentially circumvent those limits by assigning residents to train in the IPF. We explained that after carefully reviewing the public comments, we decided to adopt a cap on the number of FTE residents that may be counted under the IPF PPS for the teaching adjustment. We stated that we made this decision in order to (1) exercise our statutory responsibility under the BBA to prevent any erosion of the resident caps established under the IPPS that could result from the perverse incentives created by the facility adjustment for teaching under the IPF PPS; and (2) avoid creating incentives to artificially expand residency training in IPFs, and ensure that the resident base used to determine payments is related to the care needs in IPF institutions.

Since the establishment of the IPF PPS, there have been numerous statutory resident cap increases, which have impacted GME payments as well as IME payments under the IPPS. These statutory resident cap increases have generally not been applicable to IPF hospitals or subunits, because caps are awarded to IPPS hospitals which receive both direct GME payments and indirect medical education (IME) payments under the IPPS.

Section 4122 of the CAA, 2023 provided for the distribution of at least 100 resident FTEs to be distributed for hospitals with a psychiatry or psychiatry subspecialty residency, which the CAA, 2023 defines as a residency in psychiatry as accredited by the Accreditation Council for Graduate Medical Education for the purpose of preventing, diagnosing, and treating mental health disorders. Hospitals with a psychiatry or psychiatry subspecialty residency could include not only acute care hospitals paid under the IPPS, but also freestanding psychiatric hospitals paid under the IPF PPS.

The CAA, 2023 also included a provision for IME payments under the IPPS, which stated that for discharges occurring on or after July 1, 2026, insofar as an additional payment amount under section 4122 is attributable to resident positions distributed to a hospital that is identified under subsection (h)(10), the indirect teaching adjustment factor would be computed in the same manner as provided under section 1886(d)(5)(B)(ii) with respect to such resident positions (in other words, utilizing 1.35 as the value of ''c'' in the adjustment formula). We note that IPF hospitals paid under the IPF PPS are not considered a hospital under subsection (h)(10) and do not receive IME

payments paid under the IPPS, under section 1886(d)(5)(B) of the Act.

Historically, the IPF PPS teaching adjustment at § 412.424 has not recognized permanent resident cap increases, which, as we noted earlier, have historically impacted GME payments and IME payments under the IPPS. However, current regulations at § 412.424(d)(1)(iii)(D) allow for an adjustment to an IPF's resident FTE cap for a new approved GME program. When we initially established this regulation in the RY 2005 IPF PPS final rule (69 FR 66955 and 66956), we explained that for new teaching IPFs and for teaching IPFs that start new programs, we were adopting the policy that was applied under the BBA for IPPS teaching hospitals that start new teaching programs as specified in § 413.79(e)(1). We noted that under § 412.105(f)(1)(vi) concerning IME payments under the IPPS, hospitals that have shared residency rotational relationships may elect to apply their respective IME resident caps on an aggregate basis via a Medicare GME affiliation agreement. We explained that our intent was not to affect affiliation agreements and rotational arrangements for hospitals that have residents that train in more than one hospital. We did not implement a provision concerning affiliation agreements specifically pertaining to the FTE caps used in the teaching adjustment under the IPF PPS.

We also stated that we believe these policies fairly balance our responsibilities under the statute to assure appropriate enforcement of the BBA and the overall limits on payment adjustments for teaching hospitals with the greater precision that can be achieved by adjusting payments for teaching IPFs. We also stated that we believe that we have designed a cap that balances the need for limits with the unique conditions of teaching programs in freestanding psychiatric hospitals and in distinct part psychiatric units. We noted in our RY 2005 IPF PPS final rule establishing the teaching adjustment, however, that we would monitor the impact of these policies closely and consider changes in the future when appropriate (69 FR 66954 through 66957).

In summary, the CAA, 2023 provides for the distribution of at least 100 psychiatry or psychiatry subspecialty resident FTEs and provides for corresponding increases to IME payments under the IPPS but makes no provisions pertaining to the indirect operating costs for IPFs with teaching programs. For FY 2026, we proposed to recognize resident FTE cap increases that are awarded under section 4122 of the CAA, 2023, either to an IPF hospital or to an IPPS hospital for resident FTEs that are allocated to the IPF subunit paid under the IPF PPS. Specifically, we proposed that such resident FTE cap increases would align with our current IPF PPS teaching regulation at § 412.424(d)(1)(iii)(D), which allows for increases to IPF resident FTE caps for a new approved graduate medical education program. As we previously noted, we established the teaching cap policy under the IPF PPS to maintain alignment with the requirements of the BBA that applied to IME payments under the IPPS, and we have noted that § 412.424(d)(1)(iii)(D) is intended to achieve the same purpose. We stated that we believe this proposal would be consistent with our current regulation and our longstanding policy of maintaining IPF PPS teaching cap policies that align with IME cap policies under the IPPS. We further stated that we believe this proposal would continue to appropriately limit the incentives for IPFs to add FTE residents for the purpose of increasing their teaching adjustment. We solicited comments on the proposed update to the IPF PPS teaching policy.

The following is a summary of the comments we received and our responses.

Comment: Commenters broadly supported our proposal to recognize resident FTE cap increases awarded under section 4122 of the CAA, 2023, either to an IPF hospital or to an IPPS hospital for resident FTEs that are allocated to the IPF subunit paid under the IPF PPS. Commenters stated that this proposal would support the development of the IPF clinical workforce and would increase IPFs' capacity to meet patient needs. Commenters expressed that this proposal is especially important due to the shortage of psychiatrists nationwide.

Response: We appreciate the support of commenters. We agree with commenters about the importance of supporting the clinical workforce for IPF hospitals and units. We agree that IPF patients have unique needs, and we believe this proposed policy would help IPFs to better meet those needs.

Comment: Several commenters requested that CMS make changes to the Medicare cost report to allow IPFs to increase their resident caps. A commenter requested that CMS work with the Medicare Administrative Contractors to ensure that adjusted FTEs align with the program's slots awarded under section 4122. A commenter further noted that hospitals are instructed to reduce their IME applications for section 4122 slots for any portion of an FTE that is working in an IPF hospital or unit.

Response: We thank commenters for their careful consideration of the proposal. We will issue revised instructions and guidance to the Medicare Administrative Contractors in the near future. We intend to make updates to Worksheet E–3, Part II of the Medicare Hospital Cost Report (CMS–2552–10, OMB No. 0938–0050) to enable IPFs to document the additional FTEs awarded under section 4122 of the CAA, 2023, that are allocated to an IPF hospital or IPF unit that is paid under the IPF PPS. We are clarifying that we will not include FTE increases that are awarded under section 4122 of the CAA, 2023, in an IPF's teaching cap if those FTE increases are included in any IME cap increases for the same hospital.

Comment: Several commenters suggested that we adopt the same policy with respect to FTE cap slots awarded under section 126 of the CAA, 2021. A commenter stated that in the first three rounds of section 126 awards, CMS distributed 139.72 DGME slots and 90.78 IME slots to teaching hospitals that applied for funding to expand psychiatry and psychiatric subspecialty programs, even though the statute did not specify that the slots must be awarded for psychiatry residencies.

Response: We appreciate the commenters' suggestion, but we note that we did not propose to recognize slots awarded under section 126 of the CAA, 2021. As commenters pointed out, section 4122 of the CAA, 2023, is uniquely focused on psychiatry and psychiatric subspecialty residency slots. We are not finalizing any change to the FTE teaching adjustment policy with regard to section 126 of the CAA, 2021, but we will take these comments into consideration to potentially inform future rulemaking.

Comment: Some commenters suggested that CMS should reconsider its cap policy for the IPF teaching adjustment, noting that CMS has broad authority to determine the application of caps to the IPF PPS teaching adjustment.

Response: As we previously noted, we established the teaching cap policy under the IPF PPS to maintain alignment with the requirements of the BBA that applied to IME payments under the IPPS. We believe that the current policy fairly balances our responsibilities under the statute to assure appropriate enforcement of the BBA and the overall limits on payment adjustments for teaching hospitals with the greater precision that can be achieved by adjusting payments for teaching IPFs. We will continue to

monitor the impact of these policies closely and may consider changes in the future if appropriate.

Final Decision: After consideration of the comments, we are finalizing our proposal to recognize resident FTE cap increases awarded under section 4122 of the CAA, 2023, either to an IPF hospital or to an IPPS hospital for resident FTEs that are allocated to the IPF subunit paid under the IPF PPS.

7. Cost of Living Adjustment for IPFs Located in Alaska and Hawaii

The IPF PPS includes a payment adjustment for IPFs located in Alaska and Hawaii based upon the area in which the IPF is located. As we explained in the RY 2005 IPF PPS final rule, the FY 2002 data demonstrated that IPFs in Alaska and Hawaii had per diem costs that were disproportionately higher than other IPFs. As a result of this analysis, we provided a COLA in the RY 2005 IPF PPS final rule. We refer readers to the FY 2024 IPF PPS final rule for a complete discussion of the currently applicable COLA factors (88 FR 51088 and 51089).

In the FY 2013 IPPS/LTCH final rule (77 FR 53700 and 53701), we established a new methodology to update the COLA factors for Alaska and Hawaii and adopted this methodology for the IPF PPS in the FY 2015 IPF PPS final rule (79 FR 45958 through 45960). We also specified that the COLA updates will be determined every 4 years, in alignment with the IPPS market basket labor-related share update (79 FR 45958 through 45960). Because the labor-related share of the IPPS market basket was updated for FY 2022, the COLA factors were updated in FY 2022 IPPS/LTCH rulemaking (86 FR 45547) reflecting CPI data through 2020. As such, we also finalized an update to the IPF PPS COLA factors in the FY 2022 IPF PPS final rule to reflect the updated COLA factors finalized in the FY 2022 IPPS/LTCH rulemaking effective for FY 2022 through FY 2025 (86 FR 42621 and 42622).

Generally, under our existing methodology, we update the 2009 COLA factors published by the U.S. Office of Personnel Management (OPM) by a comparison of the growth in the Consumer Price Indices (CPIs) for the areas of Urban Alaska and Urban Hawaii, relative to the growth in the CPI for the average U.S. city as published by the Bureau of Labor Statistics (BLS). Using the respective CPI commodities index and CPI services index and using the approximate commodities/services shares obtained from the IPPS market basket, we create reweighted CPIs for each of the respective areas to reflect the underlying composition of the IPPS market basket nonlabor-related share. Lastly, we apply a 25 percent cap, which was incorporated into our methodology to reflect the statutory cap used to calculate OPM's COLA factors. For a complete discussion, we refer readers to the FY 2015 IPF PPS final rule (79 FR 45958 through 45960) as well as the FY 2022 IPF PPS final rule (86 FR 42621 and 42622).

Table 3 lists the COLA factors for IPFs located in Alaska and Hawaii as calculated under our current methodology, using updated CPI data through 2024 and the approximate 60 percent commodities/40 percent services shares obtained from the 2023-based IPPS market basket.

TABLE 3—IPF PPS COST-OF-LIVING ADJUSTMENT FACTORS: IPFs LOCATED IN ALASKA AND HAWAII

Area	FY 2022 through FY 2025 COLA factors	Updated COLA factors under current methodology	Difference
Alaska:			
City of Anchorage and 80-kilometer (50-mile) radius by road	1.22	1.18	−0.04
City of Fairbanks and 80-kilometer (50-mile) radius by road	1.22	1.18	−0.04
City of Juneau and 80-kilometer (50-mile) radius by road	1.22	1.18	−0.04
Rest of Alaska	1.24	1.20	−0.04
Hawaii:			
City and County of Honolulu	1.25	1.25	0
County of Hawaii	1.22	1.21	−0.01
County of Kauai	1.25	1.25	0
County of Maui and County of Kalawao	1.25	1.25	0

In the FY 2026 IPF PPS proposed rule, we stated that we believe it is appropriate to have a consistent policy approach with that of other hospitals in Alaska and Hawaii. We explained that we believe it would be appropriate to maintain the current COLA factors to allow CMS to consider whether any other data sources or methodology changes may improve the adjustment we make to hospital payments that accounts for the unique circumstances of hospitals located in Alaska and Hawaii. Therefore, we proposed to continue to use the FY 2025 COLA factors to adjust the non-labor-related portion of the standardized amount for IPFs located in Alaska and Hawaii for FY 2026.

Comment: A commenter suggested reevaluating the COLA factors for IPFs located in Alaska and Hawaii annually due to the rise in cost of living and economic instability. The commenter also suggested the formation of a committee to inform future rate adjustments.

Response: We appreciate the commenter's suggestions; however, we did not propose the specific policies suggested by the commenter. As discussed earlier in this section, we believe it is appropriate to have a consistent policy approach with that of other hospitals in Alaska and Hawaii. At this time, we continue to believe our current methodology for calculating the COLA factors for IPFs located in Alaska and Hawaii is appropriate.

Final Decision: After consideration of the public comments received, we are maintaining the current (FY 2025) IPF PPS COLA factors as proposed, for FY 2026. For a complete discussion of the final FY 2026 COLA factors, including a summary of comments received under the IPPS, we refer readers to the FY 2026 IPPS/LTCH final rule, published elsewhere in the **Federal Register**.

Table 4 lists the final FY 2026 COLA factors. The final IPF PPS COLA factors for FY 2026 are also shown in Addendum A to this final rule, which is available on the CMS website at *https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientPsychFacilPPS/tools.html.*

TABLE 4—FINAL FY 2026 COST OF LIVING ADJUSTMENT (COLA) FACTORS: IPFS LOCATED IN ALASKA AND HAWAII

Area	Final COLA
Alaska:	
City of Anchorage and 80-kilometer (50-mile) radius by road	1.22
City of Fairbanks and 80-kilometer (50-mile) radius by road	1.22
City of Juneau and 80-kilometer (50-mile) radius by road	1.22
Rest of Alaska	1.24
Hawaii:	
City and County of Honolulu	1.25
County of Hawaii	1.22
County of Kauai	1.25
County of Maui and County of Kalawao	1.25

8. Adjustment for IPFs With a Qualifying ED

The IPF PPS includes a facility-level adjustment for IPFs with qualifying EDs. As defined in § 412.402, qualifying emergency department means an emergency department that is staffed and equipped to furnish a comprehensive array of emergency services and meets the requirements of § 489.24(b) and § 413.65.

We provide an adjustment to the Federal per diem base rate to account for the costs associated with maintaining a full-service ED. The adjustment is intended to account for ED costs incurred by a psychiatric hospital with a qualifying ED, or an excluded psychiatric unit of an IPPS hospital or a critical access hospital (CAH), and the overhead cost of maintaining the ED. This payment applies to all IPF admissions (with one exception which we describe in this section), regardless of whether the patient was admitted through the ED. The ED adjustment is made on every qualifying claim except as described in this section of this final rule. As specified at § 412.424(d)(1)(v)(B), the ED adjustment is not made when a patient is discharged from an IPPS hospital or CAH and admitted to the same IPPS hospital's or CAH's excluded psychiatric unit. We clarified in the RY 2005 IPF PPS final rule (69 FR 66960) that an ED adjustment is not made in this case because the costs associated with ED services are reflected in the DRG payment to the IPPS hospital or through the reasonable cost payment made to the CAH.

In the FY 2025 IPF PPS final rule, we updated the adjustment factor from 1.31 to 1.54 for IPFs with qualifying EDs using the same methodology used to determine ED adjustments in prior years (89 FR 64636). Beginning in FY 2025, IPFs with a qualifying ED receive an adjustment factor of 1.54 as the variable per diem adjustment for day 1 of each patient stay. If an IPF does not have a qualifying ED, it receives an adjustment factor of 1.27 as the variable per diem adjustment for day 1 of each patient stay. For FY 2026, we proposed to maintain the 1.54 adjustment factor for IPFs with qualifying EDs. A complete discussion of the steps involved in the most recent calculation of the ED adjustment factor can be found in the FY 2025 IPF PPS final rule (89 FR 64636).

Lastly, we note that following display of the FY 2026 IPF PPS proposed rule with comment period, we identified a typographical error in the preamble text regarding the FY 2025 adjustment factor for IPFs with qualifying EDs. On page 18513, in the first column, in the last paragraph, we made a typographical error and stated the current (FY 2025) adjustment factor was updated ''from 1.31 to 1.53'' instead of ''from 1.31 to 1.54''. We note that the correct FY 2025 adjustment factor for IPFs with qualifying EDs (that is, 1.54) is stated on page 18506, in Table 2; and in Addendum A of the FY 2026 IPF PPS proposed rule with comment period.

We did not receive any comments on the proposal to maintain the existing ED adjustment factor for FY 2026, and we are finalizing it as proposed.

9. Refinement Standardization Factor

Section 1886(s)(5)(D)(iii) of the Act provides that revisions in payment implemented pursuant to section 1886(s)(5)(D)(i) for a rate year shall result in the same estimated amount of aggregate expenditures under Title XVIII of the Act for psychiatric hospitals and psychiatric units furnished in the RY as would have been made under this Title for such care in such rate year if such revisions had not been implemented. We interpret this to mean that revisions in payment adjustments implemented for FY 2026 (and for any subsequent fiscal year) must be budget neutral.

Historically, we have maintained budget neutrality in the IPF PPS using the application of a standardization factor, which is codified in our regulations at § 412.424(c)(5) to account for the overall positive effects resulting from the facility-level and patient-level adjustments. As discussed in section IV.B.1 of this final rule, section 124(a)(1) of the BBRA required that we implement the IPF PPS in a budget neutral manner. In other words, the amount of total payments under the IPF PPS, including any payment adjustments, must be projected to be equal to the amount of total payments that would have been made if the IPF PPS were not implemented. Therefore, we calculated the standardization factor by setting the total estimated IPF PPS payments, taking into account all of the adjustment factors under the IPF PPS, to be equal to the total estimated payments that would have been made using TEFRA methodology had the IPF PPS not been implemented. A step-by-step description of the methodology used to estimate payments under the TEFRA payment system appears in the RY 2005 IPF PPS final rule (69 FR 66926).

We believe the budget neutrality requirement of section 1886(s)(5)(D)(iii) of the Act is consistent with our longstanding methodology for maintaining budget neutrality under the IPF PPS pursuant to section 124(a)(1) of the BBRA. We note that for the FY 2025 IPF PPS rule (89 FR 64640 and 64641), we applied a refinement standardization factor to the FY 2024 IPF Federal per diem base rate and ECT per treatment amount to maintain budget neutrality for the change in the patient-level adjustment factors, ED adjustment, and ECT per treatment amount finalized in the FY 2025 IPF PPS rule.

Therefore, for FY 2026, we proposed to apply a refinement standardization factor in accordance with our existing policy at § 412.424(c)(5). Under this policy, we would update IPF PPS adjustment factors for teaching status and for IPFs located in rural areas, as finalized in this FY 2026 IPF PPS final rule, in such a way that total estimated payments to IPFs for FY 2026 are the same with or without the changes (that is, in a budget neutral manner) by

applying a refinement standardization factor to the IPF PPS rates. We proposed to use the following steps to ensure that the rates reflect the final FY 2026 update to the facility-level adjustment factors (as previously discussed in sections IVII.D.5 and IV.D.6. of this final rule and summarized in Addendum A) in a budget neutral manner:

Step 1: Simulate estimated IPF PPS payments using the FY 2025 IPF facility-level adjustment factor values (available on the CMS website).

Step 2: Simulate estimated IPF PPS payments using the final FY 2026 IPF facility-level adjustment factor values (see Addendum A of this final rule, which is available on the CMS website).

Step 3: Divide the amount calculated in step 1 by the amount calculated in step 2. The resulting quotient is the final FY 2026 refinement standardization factor of 0.9927.

Step 4: Apply the FY 2026 refinement standardization factor from step 3 to the FY 2025 IPF PPS Federal per diem base rate and ECT per treatment amount, after the application of the wage index budget neutrality factor and the IPF market basket increase reduced by the productivity adjustment described in section IV.A. of this final rule to determine the final FY 2026 IPF PPS Federal per diem base rate and FY 2026 ECT payment amount per treatment.

E. Other Payment Adjustments and Policies

1. Outlier Payment Overview

The IPF PPS includes an outlier adjustment to promote access to IPF care for those patients who require expensive care and to limit the financial risk of IPFs treating unusually costly patients. In the RY 2005 IPF PPS final rule, we implemented regulations at § 412.424(d)(3)(i) to provide a per case payment for IPF stays that are extraordinarily costly. Providing additional payments to IPFs for extremely costly cases strongly improves the accuracy of the IPF PPS in determining resource costs at the patient- and facility-level. These additional payments reduce the financial losses that would otherwise be incurred in treating patients who require costlier care; therefore, reduce the incentives for IPFs to under-serve these patients. We make outlier payments for discharges where an IPF's estimated total cost for a case exceeds a fixed dollar loss threshold amount (multiplied by the IPF's facility-level adjustments) plus the Federal per diem payment amount for the case.

In instances when the case qualifies for an outlier payment, we pay 80 percent of the difference between the estimated cost for the case and the adjusted threshold amount for days 1 through 9 of the stay (consistent with the median LOS for IPFs in FY 2002), and 60 percent of the difference for day 10 and thereafter. The adjusted threshold amount is equal to the outlier threshold amount adjusted for wage area, teaching status, rural area, and the COLA factor (if applicable), plus the amount of the Medicare IPF payment for the case. We established the 80 percent and 60 percent loss sharing ratios because we were concerned that a single ratio established at 80 percent (like other Medicare PPSs) might provide an incentive under the IPF per diem payment system to increase LOS to receive additional payments.

After establishing the loss sharing ratios, we determined the current fixed dollar loss threshold amount through payment simulations designed to compute a dollar loss beyond which payments are estimated to meet the 2 percent outlier spending target. Each year when we update the IPF PPS, we simulate payments using the latest available data to compute the fixed dollar loss threshold so that outlier payments represent 2 percent of total estimated IPF PPS payments.

2. Update to the Outlier Fixed Dollar Loss Threshold Amount

In accordance with the update methodology described in § 412.428(d), we proposed to update the fixed dollar loss threshold amount used under the IPF PPS outlier policy. Based on the regression analysis and payment simulations used to develop the IPF PPS, we established a 2 percent outlier policy, which strikes an appropriate balance between protecting IPFs from extraordinarily costly cases while ensuring the adequacy of the Federal per diem base rate for all other cases that are not outlier cases. We proposed to maintain the established 2 percent outlier policy for FY 2026.

Our longstanding methodology for updating the outlier fixed dollar loss threshold involves using the best available data, which is typically the most recent available data. We note that for FY 2022 and FY 2023 only, we made certain methodological changes to our modeling of outlier payments, and we discussed the specific circumstances that led to those changes for those years (86 FR 42623 and 42624; 87 FR 46862 through 46864). We direct readers to the FY 2022 and FY 2023 IPF PPS proposed and final rules for a more complete discussion.

We proposed to update the IPF outlier threshold amount for FY 2026 using FY 2024 claims data and the same methodology that we have used to set the initial outlier threshold amount each year beginning with the RY 2007 IPF PPS final rule (71 FR 27072 and 27073). For this FY 2026 IPF PPS rulemaking, consistent with our longstanding practice, based on an analysis of the latest available data (the December 2024 update of FY 2024 IPF claims) and rate increases, we believe it is necessary to update the fixed dollar loss threshold amount to maintain an outlier percentage that equals 2 percent of total estimated IPF PPS payments. Based on an analysis of these updated data, we estimated that IPF outlier payments as a percentage of total estimated payments would be slightly higher than 2.0 percent in FY 2025. Therefore, we proposed to update the outlier threshold amount to $39,360 to maintain estimated outlier payments at 2 percent of total estimated aggregate IPF payments for FY 2026. The proposed update would be an increase from the FY 2025 threshold of $38,110. Lastly, we proposed that if more recent data become available for the FY 2026 IPF PPS final rule, we would consider using such data to determine the final outlier fixed dollar loss threshold amount for FY 2026.

We solicited comments on the proposed update to the outlier fixed dollar loss threshold amount. The following is a summary of the comments we received and our responses.

Comment: A commenter expressed concern about CMS's proposal to raise the IPF outlier fixed-loss threshold to $39,360 for FY 2026. The commenter stated the proposed threshold is too high and will reduce the number of cases qualifying for outlier payment relief. The commenter expressed concern about the impact on facilities that treat the most medically complex or violent psychiatric patients, as this creates significant financial risk for these specialized providers.

Response: The proposed increase in the IPF outlier fixed-loss threshold from $38,110 to $39,360 is intended to maintain budget neutrality by ensuring outlier payments remain at approximately 2.0 percent of total IPF payments as required by statute, reflect cost inflation to account for general cost increases in healthcare delivery, and preserve program integrity by maintaining the outlier payment system's role in protecting facilities from truly extraordinary costs. We carefully calibrate the threshold annually using the most recent available cost and claims data, with the 2.0 percent target for outlier payments representing a balance between

providing adequate protection for high-cost cases while maintaining overall payment system stability, supported by historical data analysis to achieve the statutory target. Our analysis indicates that the proposed threshold maintains the appropriate balance between outlier payment availability and budget neutrality, and while the proportion of cases receiving outlier payments may decrease, the total outlier payment pool remains consistent with statutory requirements, with the threshold adjustment reflecting actual cost trends in IPF services.

Comment: Two commenters noted concern that the increase in the outlier fixed loss threshold exceeds the proposed 2.4 percent update to IPF rates, creating a disparity that could negatively impact facilities. The commenters specifically requested that CMS consider adopting an alternative methodology used in FY 2022 and FY 2023, which involved removing IPFs with extremely high or low costs per day (3+ standard deviations from the mean) to create a more homogeneous dataset, as this approach previously helped mitigate increases in the fixed loss threshold and could serve as an effective means of reducing the proposed threshold increase for FY 2026.

Response: While the commenters correctly reference our use of statistical trimming methodology in prior years, it is important to clarify that the approach used in FY 2023 (87 FR 46862)—which involved excluding providers whose change in estimated average cost per day fell outside 3 standard deviations from the mean—was implemented as a targeted response to extraordinary data distortions caused by the COVID–19 PHE, rather than as a routine alternative methodology. Specifically, we observed that some providers had significant increases in their charges during the pandemic period, resulting in higher than normal estimated costs per day that would skew outlier payment estimates, and the statistical trim was applied to improve the validity of the data used for ratesetting under these exceptional circumstances. Our longstanding methodology for updating the outlier fixed-loss threshold continues to rely on using the best available data to maintain outlier payments at 2 percent of total IPF PPS payments, and any deviations from this established approach are carefully considered based on specific data quality concerns rather than as standard practice. We will continue to monitor the IPF PPS outlier policy and propose the application of appropriate statistical methods when necessary to ensure the integrity of the outlier policy while maintaining the balance between protecting facilities from extraordinarily costly cases and ensuring adequacy of the Federal per diem base rate for non-outlier cases.

Final Decision: After consideration of the comments received, we are finalizing our proposal to update the fixed dollar loss threshold amount used under the IPF PPS outlier policy. For this FY 2026 IPF PPS rulemaking, consistent with our longstanding practice, based on an analysis of the latest available data (the March 2025 update of FY 2024 IPF claims) and rate increases, we believe it is necessary to update the fixed dollar loss threshold amount to maintain an outlier percentage that equals 2 percent of total estimated IPF PPS payments. Based on an analysis of these updated data, we estimate that IPF outlier payments as a percentage of total estimated payments are approximately 2.1 percent in FY 2025. Therefore, we are finalizing an update to the outlier threshold amount to $39,360 to maintain estimated outlier payments at 2 percent of total estimated aggregate IPF payments for FY 2026.

3. Update to IPF Cost-to-Charge Ratio Ceilings

Under the IPF PPS, an outlier payment is made if an IPF's cost for a stay exceeds a fixed dollar loss threshold amount plus the IPF PPS amount. To establish an IPF's cost for a particular case, we multiply the IPF's reported charges on the discharge bill by its overall CCR. This approach to determining an IPF's cost is consistent with the approach used under the IPPS and other PPSs. In the RY 2004 IPPS final rule (68 FR 34494), we implemented changes to the IPPS policy used to determine CCRs for IPPS hospitals, because we became aware that payment vulnerabilities resulted in inappropriate outlier payments. Under the IPPS, we established a statistical measure of accuracy for CCRs to ensure that aberrant CCR data did not result in inappropriate outlier payments.

As indicated in the RY 2005 IPF PPS final rule (69 FR 66961), we believe that the IPF outlier policy is susceptible to the same payment vulnerabilities as the IPPS; therefore, we adopted a method to ensure the statistical accuracy of CCRs under the IPF PPS. Specifically, we adopted the following procedure in the RY 2005 IPF PPS final rule:

- Calculated two national ceilings, one for IPFs located in rural areas and one for IPFs located in urban areas.
- Computed the ceilings by first calculating the national average and the standard deviation of the CCR for both urban and rural IPFs using the most recent CCRs entered in the most recent Provider Specific File (PSF) available.

For FY 2026, we proposed to continue following this methodology. Lastly, we proposed that if more recent data become available, we would consider using such data to calculate the rural and urban national median and ceiling CCRs for FY 2026.

To determine the final rural and urban ceilings, we multiplied each of the standard deviations by 3 and added the result to the appropriate national CCR average (either rural or urban). The final upper threshold CCR for IPFs in FY 2026 is 2.4373 for rural IPFs and 1.8305 for urban IPFs, based on current CBSA-based geographic designations. If an IPF's CCR is above the applicable ceiling, the ratio is considered statistically inaccurate, and we assign the appropriate national (either rural or urban) median CCR to the IPF.

We apply the national median CCRs to the following situations:

- New IPFs that have not yet submitted their first Medicare cost report. We continue to use these national median CCRs until the facility's actual CCR can be computed using the first tentatively or final settled cost report.
- IPFs whose overall CCR is in excess of three standard deviations above the corresponding national geometric mean (that is, above the ceiling).
- Other IPFs for which the Medicare Administrative Contractor (MAC) obtains inaccurate or incomplete data with which to calculate a CCR.

We proposed to update the FY 2026 national median and ceiling CCRs for urban and rural IPFs based on the CCRs entered in the latest available IPF PPS PSF.

Specifically, for FY 2026, to be used in each of the three situations listed previously, using the most recent CCRs entered in the CY 2024 PSF, we provide an estimated national median CCR of 0.5720 for rural IPFs and a national median CCR of 0.4200 for urban IPFs. These calculations are based on the IPF's location (either urban or rural) using the current CBSA-based geographic designations. A complete discussion regarding the national median CCRs appears in the RY 2005 IPF PPS final rule (69 FR 66961 through 66964).

V. Inpatient Psychiatric Facility Quality Reporting (IPFQR) Program

A. Background and Statutory Authority

The Inpatient Psychiatric Facilities Quality Reporting (IPFQR) Program is authorized by section 1886(s)(4) of the Act, and it applies to psychiatric

hospitals and psychiatric units paid by Medicare under the IPF PPS (see section II.A. of this final rule for a detailed discussion of entities covered under the IPF PPS).[4] [5] We refer readers to the FY 2019 IPF PPS final rule (83 FR 38589) for a discussion of the background and statutory authority of the IPFQR Program. We have codified procedural requirements and reconsideration and appeals procedures for IPFQR Program decisions in our regulations at 42 CFR 412.433 and 412.434. Consistent with previous IPFQR Program regulations, we refer to both inpatient psychiatric hospitals and psychiatric units as ''inpatient psychiatric facilities'' (at times, simply ''facilities'' where the context is clear) or ''IPFs.'' This usage follows the terminology in our IPF PPS regulations at § 412.402.

Section 1886(s)(4)(E) of the Act requires IPFs participating in the IPFQR Program to collect and submit to the Secretary certain standardized patient assessment data, using a standardized patient assessment instrument (PAI) developed by the Secretary, for RY 2028 (FY 2028) and each subsequent rate year. In the FY 2025 IPF PPS proposed rule, we solicited public comment on the principles and approach that CMS should consider when developing the IPF–PAI (89 FR 23200 through 89 FR 23204), which we summarized in the final rule (89 FR 64642 through 64649).

B. Modification of the Reporting Period of the 30-Day Risk-Standardized All-Cause Emergency Department Visit Following an IPF Discharge Measure, Beginning With the FY 2029 Payment Determination

1. Background

In the FY 2025 IPF PPS final rule, we adopted the 30-Day Risk-Standardized All-Cause Emergency Department (ED) Visit Following an IPF Discharge measure (IPF ED Visit measure) for the IPFQR Program beginning with the FY 2027 payment determination (89 FR 64650 through 89 FR 64659). The measure was adopted with a calendar year (CY) reporting period starting with the CY 2025 reporting period for the FY 2027 payment determination (89 FR 64659).[6] We adopted this measure to address a gap in existing IPFQR Program measures related to patient outcomes in the period following discharge from the IPF (89 FR 64651). While the Thirty Day All-Cause Unplanned Readmission Following Psychiatric Hospitalization measure (IPF Unplanned Readmission measure), adopted in the FY 2017 IPPS/LTCH PPS final rule (81 FR 57241 through 57246), assesses hospital readmissions, it does not assess another type of post-discharge use of acute care: ED visits that do not result in a hospital admission. Therefore, we adopted the IPF ED Visit measure to fill this gap and to provide IPFs and patients with a more complete picture of acute care among IPF patients after discharge from the IPF (89 FR 64650 through 64659).

2. Modification of the Reporting Period of the IPF ED Visit Measure To Begin Q3 CY 2025–Q2 CY 2027 Reporting Period/FY 2029 Payment Determination

We intended for the IPF ED Visit measure to complement the IPF Unplanned Readmission measure to the extent possible (89 FR 64652 through 64653). Our rationale was that maintaining similarities between these two measures—the same timeframe (that is, the 30 days post-discharge from an IPF), the same definitions of index admission, and same patient populations—would provide IPFs and patients with a more complete picture of acute care among IPF patients after discharge. However, the IPF Unplanned Readmission measure uses a 2-year reporting period, which differs from the 1-year reporting period we finalized for the IPF ED Visit measure. To fully align the measures so that the same cohort of patients can be compared, it is necessary to modify the reporting period of the IPF ED Visit Measure.

For the reasons discussed in the FY 2026 IPF PPS proposed rule, we proposed to modify the current 1-year reporting period for the IPF ED Visit measure to a 2-year reporting period (90 FR 18515 through 18516). We proposed that this 2-year reporting period would run from July 1st, 4 years prior to the applicable fiscal year payment determination, to June 30th, 2 years prior to the applicable fiscal year payment determination. The proposed 2-year reporting period for the IPF ED Visit measure would align with the IPF Unplanned Readmission measure. The proposal would modify the first reporting period for the measure to Quarter (Q)3 CY 2025–Q2 CY 2027 for the FY 2029 payment determination.[7] The proposed 2-year reporting period would allow the IPF ED Visit measure to better complement the IPF Unplanned Readmission measure, resulting in more meaningful IPFQR Program measure data for providers and consumers.

Because the data used to calculate the IPF ED Visit measure are available on Medicare claims and enrollment data, this measure requires no additional data collection or submission by IPFs (89 FR 64667). We did not propose any other changes to the measure. We noted the IPF ED Visit measure for the FY 2029 payment determination, which would reflect a Q3 CY 2025–Q2 CY 2027 reporting period, would first be publicly reported in the January 2029 release on the Compare tool on *medicare.gov* (*https://www.medicare.gov/care-compare/*) or their successor websites.

We invited public comments on our proposal to modify the reporting period of the IPF ED Visit Measure. The following is a summary of the comments we received and our responses.

Comment: Several commenters expressed support for this proposal, agreeing with CMS on the importance of aligning the reporting periods for related measures. Some commenters supported the expansion to a 2-year reporting period, with one noting that a longer reporting period helps smooth out temporary fluctuations that might happen over a shorter time period.

[4] We note that the statute uses the term ''rate year'' (RY). However, beginning with the annual update of the inpatient psychiatric facility prospective payment system (IPF PPS) that took effect on July 1, 2011 (RY 2012), we aligned the IPF PPS update with the annual update of the ICD codes, effective on October 1 of each year. This change allowed for annual payment updates and the ICD coding update to occur on the same schedule and appear in the same **Federal Register** document, promoting administrative efficiency. To reflect the change to the annual payment rate update cycle, we revised the regulations at 42 CFR 412.402 to specify that, beginning October 1, 2012, the IPF PPS RY means the 12-month period from October 1 through September 30, which we refer to as a ''fiscal year'' (FY) (76 FR 26435). Therefore, with respect to the IPFQR Program, the terms ''rate year,'' as used in the statute, and ''fiscal year'' as used in the regulation, both refer to the period from October 1 through September 30. For more information regarding this terminology change, we refer readers to section III of the RY 2012 IPF PPS final rule (76 FR 26434 through 26435).

[5] For the IPFQR Program, we refer to the year in which an IPF would receive the 2-percentage point reduction to the annual update to the standard Federal rate as the *payment determination* year. An IPF generally meets IPFQR Program requirements by submitting data on specified quality measures in a specified time and manner during a *data submission period* that occurs prior to the payment determination year. These data reflect a period prior to the data submission period during which the IPF furnished care to patients; this period is known as the *reporting period,* sometimes also referred to as the *performance period.* For example, for a measure for which CY 2026 is the reporting period which is required to be submitted in CY 2027 and affects FY 2028 payment determination, if an IPF did not submit the data for this measure as specified during CY 2027 (and meets all other IPFQR Program requirements for the FY 2028 payment determination) we would reduce by 2-percentage points that IPF's update for the FY 2028 payment determination year.

[6] We note that we used ''performance period'' in the FY 2025 IPF PPS final rule to refer to the reporting period.

[7] As finalized in prior rulemaking (89 FR 64659), the IPF ED Visit measure would have been used in the FY 2027 payment determination. With modification of the reporting period, we proposed the first year that this measure would be used in the payment determination to change to FY 2029.

Other commenters described the proposal as sensible and reasonable.

Response: We thank the commenters for their support.

Comment: One comment stated concerns about the proposed 2-year reporting period, specifically that the data become outdated, which makes it more challenging for IPFs to make changes in response to measure performance. The commenter recommended that CMS consider modifying the IPF Unplanned Readmission—and not finalizing modifications to the IPF ED Visit measure—so that both measures follow a 12-month reporting cycle, beginning July 1 and ending June 30 the following year.

Response: We acknowledge that timeliness can be a limitation of claims-based measures. When the IPF Unplanned Readmission measure was developed, the measure developers established that 24 months of data were needed for the measure to be statistically reliable—that is, having sufficient observations in the reporting period for the measure to provide stable estimates, and not be subject to fluctuation due to normal variation in patient outcomes.[8] The IPF ED Visit measure was tested with a 24 month observation period in order to be comparable to the IPF Unplanned Readmission measure.[9] Because using a shorter reporting period with fewer observations would reduce reliability, we sought to balance sufficient measure reliability with some delay in this information being publicly reported.

Final Decision: After consideration of the comments we received, we are finalizing our proposal to modify the reporting period for the IPF ED Visit measure as proposed.

C. Removal of the Facility Commitment to Health Equity Measure Beginning With the CY 2024 Reporting Period/FY 2026 Payment Determination

We refer readers to the FY 2024 IPF PPS final rule where we adopted the Facility Commitment to Health Equity structural measure (hereafter referred to as FCHE measure) into the IPFQR Program (88 FR 51100 through 51107). In the FY 2026 IPF PPS proposed rule, we proposed to remove the FCHE measure beginning with the FY 2026 payment determination due to the costs associated with achieving a high score on the measure outweighing the benefit of its continued use in the program (90 FR 18516). As we explained in the proposed rule, when CMS first adopted the FCHE measure, we intended the collection of data described in the five domains of this measure to provide IPF leadership with meaningful and actionable health data to drive quality improvements to eliminate health disparities. Based on feedback received from IPFs as well as a re-focus on clinical outcomes measures, for which the FCHE measure, as a structural measure, does not directly measure clinical outcomes, we believed that the burden of collecting this measure may outweigh the benefits. We stated that removal of this measure would alleviate an estimated annual burden of approximately 267 hours, at a cost of $11,978, across all participating IPFs (88 FR 51151). These values were based on the estimated burden at the time the measure was proposed. Elsewhere in the proposed rule, in section V.B.3, we stated the updated burden estimate of 267 hours at a cost of $14,761, across all participating IPFs.

The IPFQR Program strives to minimize burden while maintaining a parsimonious set of the most meaningful quality measures and continuing to incentivize improvement in the quality of care provided to patients. Removing this measure from the IPFQR Program is effective toward accomplishing this intent. In the proposed rule, we stated a re-focus on measurable clinical outcomes as well as identifying quality measures on topics of prevention, nutrition, and well-being, and as such we referred readers to our request for comment on our Request for Information on Future Measures for the IPFQR Program in section IV.H.2. (90 FR 18516). The IPFQR Program continues to incentivize the improvement of care quality and health outcomes for all patients through measurement and transparency with other measures. It may be costly for IPFs to continue reporting on the FCHE measure and achieve high performance scores, and removal of this measure would make room to enhance the program's focus on measurable clinical outcomes and for IPF leadership to focus on other priority quality and safety areas. We acknowledge that some IPFs may have expended resources to implement some or all of the activities described in the FCHE measure attestation statements in order to be able to attest ''yes'' for measure reporting purposes, however, IPFs that had already implemented such activities prior to adoption of the measure would have been able to attest ''yes'' without expending similar resources.

We stated that, if finalized, IPFs that do not report their CY 2024 reporting period data for the FCHE measure to CMS would not be considered noncompliant with the measure for purposes of their FY 2026 payment determination (that is, IPFs that do not report CY 2024 reporting period data would not be penalized for FY 2026 payments due to this measure). Any FCHE measure data received by CMS would not be used for public reporting or payment purposes.

We stated that, if not finalized, IPFs that do not report their CY 2024 reporting data for the FCHE measure to CMS would be considered noncompliant with the measure for their FY 2026 payment determination, and would receive a letter of noncompliance after August 1, 2025, at which time the required 30 day reconsideration period would begin. Payment adjustments for noncompliance with IPFQR Program requirements would apply to FY 2026 fee-for-service claims as previously finalized.

We invited public comments on our proposal to remove the FCHE structural measure from the IPFQR Program beginning with the FY 2026 payment determination. The following is a summary of the comments we received and our responses.

Comment: Many commenters supported the removal of the FCHE measure. Several commenters described burden related to data collection for this measure. Several commenters stated that the measure had limitations and noted that it was redundant with some accreditation requirements from other programs.

Response: We thank the commenters for their support.

Comment: A few commenters disagreed that the cost of the FCHE measure outweighed the benefit, stating that facility attention to social factors is linked to clinical outcomes, and the focus areas of this measure are likely to prevent downstream costs.

Response: We appreciate commenters' input regarding the burden associated with reporting on the FCHE measure. We agree with commenters that the reporting burden associated with structural measures is typically small; however, costs are multi-faceted and include administrative costs to IPFs, maintaining information collection systems, and analyzing reported data. We are identifying ways to reduce overall provider burden of participating in the IPFQR Program, while continuing to hold IPFs accountable for measurable aspects of care and patient safety. At this time, we remain focused on identifying measures that balance feasibility, costs, and impact, while aligning with national priorities. For the reasons discussed in the FY 2026 IPF

[8] CMS. Internal Analysis. November 2015.

[9] *https://p4qm.org/measures/4190.*

PPS proposed rule (90 FR 18516), we have determined that the multi-faceted costs associated with this measure outweigh the benefits of its continued use in the program at this time.

Comment: A commenter stated that this measure generates meaningful and useful health data that facilities can use to drive quality improvement. A commenter stated that it would be difficult to advance CMS' goals of improving overall well-being and whole-person care without identifying and addressing social needs and health disparities. A few commenters stated that removing this measure would reverse or undermine progress made on improving outcomes for all patients.

Response: We acknowledge commenters that stated that the types of activities specified for attesting affirmatively on various domains for the FCHE measure—for example, strategic planning to address health equity, collecting information on patient demographics and/or social drivers of health, and using these data to inform quality improvement—support high-quality care and improved outcomes for patients. Removal of this measure does not preclude IPFs from collecting health information on topics that they deem important to their patient populations or quality improvement activities. Despite removal of this measure, IPFs will still be able to collect data that is important to their patient care initiatives and reflects the unique needs of their specific patient population.

We acknowledge commenters' concern about the impacts of this measure removal. The IPFQR Program strives to hold IPFs accountable for high-quality healthcare delivery to all beneficiaries, and to focus on measures that are clinically important and meaningful to patients. We regularly review measures in our quality reporting programs, and we remain focused on identifying measures that balance feasibility, burden, and impact. As part of this regular reassessment of the balance of measures in our programs, we have assessed the overall costs of this measure as outweighing the benefits of retaining it in the IPFQR Program at this time.

Final Decision: After consideration of the comments we received, we are finalizing, as proposed, our proposal to remove the FCHE structural measure.

D. Removal of the COVID–19 Vaccination Coverage Among Healthcare Personnel Measure Beginning With the CY 2024 Reporting Period/FY 2026 Payment Determination

We refer readers to the FY 2022 IPF PPS final rule where we adopted the COVID–19 Vaccination Coverage Among Healthcare Personnel (HCP) measure into the IPFQR Program (86 FR 42633 through 42640) and the FY 2024 IPF PPS final rule where we modified the COVID–19 Vaccination Coverage Among HCP measure to account for updated vaccine guidance (88 FR 51128 through 51133).

As discussed in the FY 2026 IPF PPS proposed rule (90 FR 18516 through 18517), we proposed to remove the COVID–19 Vaccination Coverage Among HCP measure beginning with the CY 2024 reporting period/FY 2026 payment determination under removal Factor 8, the costs associated with a measure outweigh the benefit of its continued use in the program (§ 412.433(e)(3)(i)(H)). We noted that reporting on this measure currently requires reporting data on COVID–19 vaccination coverage among HCP for 1 week each month for each of the 3 months in a quarter. This requires IPFs to track current vaccination status for all employees, licensed independent practitioners, adult students/trainers and volunteers, and other contract personnel and log in to the National Healthcare Safety Network (NHSN) to report the data monthly either manually in the NHSN or by uploading a comma-separated value (CSV) file (86 FR 42636). The estimated burden of collecting this information annually across all 1,596 IPFs is between $721,392 and $841,730 annually. We referred readers to section V.B.3. of the proposed rule for more details on this estimated burden calculation.

When we first adopted the COVID–19 Vaccination Coverage Among HCP measure, the United States was in a PHE with millions of cases and over 550,000 COVID–19 deaths (86 FR 42633). While preventing the spread of COVID–19 remains a public health goal, the PHE ended on May 11, 2023.[10] In addition, the number of deaths due to COVID–19 in the U.S. has decreased since the adoption of this measure. In March 2021, when this measure was being proposed, the United States was averaging over 5,000 deaths per week. In April 2023, the last full month of the PHE, weekly number of deaths due to COVID–19 averaged around 1,300.[11] With the end of the PHE and the decrease in COVID–19 deaths, we believe the continued costs and burden to providers of tracking and monthly reporting on this measure outweigh the benefit of continued information collection on COVID–19 vaccination coverage among HCP. As it may be costly for IPFs to continue to report on the COVID–19 Vaccination Coverage Among HCP measure, removal of this measure would allow the IPFQR Program to focus on goals such as measuring clinical outcomes.

We stated that, if finalized, IPFs that do not report their CY 2024 reporting period data for the COVID–19 HCP Vaccination measure to CMS would not be considered noncompliant with the measures for purposes of their FY 2026 payment determination (that is, IPFs that do not report CY 2024 reporting period data would not be penalized for FY 2026 payments due to this measure). Any COVID–19 HCP Vaccination measure data received by CMS would not be used for public reporting or payment purposes.

We also stated that, if not finalized, IPFs that do not report their CY 2024 reporting data for the COVID–19 HCP Vaccination measure to CMS would be considered noncompliant with the measure for their FY 2026 payment determination, and would receive a letter of noncompliance after August 1, at which time the required 30 day reconsideration period would begin. Payment adjustments would apply to FY 2026 payment determination as previously finalized.

We invited public comment on our proposal to remove the COVID–19 Vaccination Coverage Among HCP measure from the IPFQR Program beginning with the FY 2026 payment determination. The following is a summary of the comments we received and our responses.

Comment: Many commenters supported the removal of this measure. Commenters stated that tracking and reporting for this measure is burdensome, especially given the changes in measure definition over time. A few commenters described the administrative challenges with the up-to-date definition used in this measure, which has changed over time. These commenters stated that the current definition made data collection difficult. A few commenters stated that the measure no longer reflects facility performance or quality of care. A few commenters stated that removal of this measure will allow their staff to spend more time on activities or areas that more directly contribute to improved care for patients or for safety and protection of the IPF workforce. A few commenters noted practical concerns around continuing to require this measure, such as the vaccination no

[10] *https://www.hhs.gov/coronavirus/covid-19-public-health-emergency/index.html.*

[11] Provisional COVID–19 Deaths, by Week, in The United States, Reported to CDC. Accessed on March 27, 2025 via *https://covid.cdc.gov/covid-data-tracker/#trends_weeklydeaths_select_00.*

longer being required for HCP at their facility.

Response: We thank commenters for their support.

Comment: A commenter stated that this measure's definition, data collection, and public reporting represent a point-in-time count of a numerator, and do not accurately depict vaccination coverage. This commenter supported the removal of this measure.

Response: We thank the commenter for their support.

Comment: A commenter opposed the removal of this measure, stating that this measure is important to sustaining infection control practices and protecting IPF patients.

Response: We acknowledge that vaccination of healthcare personnel against COVID–19 may be one component of infection control in IPFs, but we do not believe that the removal of this measure of vaccination rates will inhibit IPFs' abilities to protect IPF patients, as well as IPF healthcare personnel. We remind readers the COVID–19 Vaccination Coverage Among HCP measure was never a vaccine mandate (86 FR 42638; 88 FR 51133), and we note that IPFs may continue to encourage and monitor HCP vaccination against COVID–19 and/or other infectious diseases as part of their policies to meet the infection control conditions of participation at 42 CFR 482.42. The goal of this measure removal is to alleviate the burden associated with tracking and reporting COVID–19 HCP vaccination rates for the IPFQR Program.

Final Decision: After consideration of the comments we received, we are finalizing our proposal to remove the COVID–19 Vaccination Coverage Among HCP measure as proposed.

E. Removal of two Social Drivers of Health Measures Beginning With the CY 2024 Voluntary Reporting Period

We proposed to remove two social drivers of health process measures from the IPFQR Program beginning with the CY 2024 voluntary reporting period: Screening for Social Drivers of Health measure (Screening for SDOH) (adopted at 88 FR 51107 through 51117); and Screen Positive Rate for Social Drivers of Health measure (Screen Positive) (adopted at 88 FR 51117 through 51121) in the FY 2026 IPF PPS proposed rule (90 FR 18517).

In the proposed rule, we proposed to remove the Screening for SDOH and Screen Positive measures beginning with the CY 2024 voluntary reporting period under removal Factor 8, the costs associated with the measure outweigh the benefit of its continued use in the program (90 FR 18517). We have previously heard from some IPFs concerned with the costs and resources associated with screening patients via manual processes, manually storing such data, training staff, and altering workflows for these measures. In the FY 2024 IPF PPS final rule, we estimated a total annual burden of surveying IPF patients for health-related social needs under the Screening for Social Drivers of Health measures will be 66,414 hours (1,596 facilities × 1,261 patients per facility × 0.033 hr) at a cost of $1,375,434 (66,414 hour × $20.71/hour) across all patients (88 FR 51152). We estimated that the submission of the Screen Positive measure to CMS would have incurred an additional 266 hours across all IPFs, at a cost of $11,933 (88 FR 51152 through 51153). We note that, as stated in section V.B.3. and shown in Tables 8 through 10 of the proposed rule, removal of the Screening for SDOH measure would alleviate an estimated annual burden for patients of 66,414 hours, at a cost of $1,702,191 (90 FR 18525). Also, as stated in section V.B.3. of the proposed rule, removal of both SDOH measures would alleviate an estimated of 532 hours for IPFs to report these measures, at a cost of $29,520, for the FY 2027 payment determination, when these measures would become mandatory (90 FR 18525). Further, we noted that these measures document an administrative process and report aggregate level outcomes, and do not measure the extent to which providers are ultimately connecting patients with resources or services and whether patients are benefiting from these screenings. We stated that the costs of the use of these measures in the IPFQR Program outweigh the benefits to providers and patients. Removal of these measures would alleviate the burden on IPFs to manually screen each patient and submit data each reporting cycle, allowing IPFs to focus resources on measurable clinical outcomes. This would also remove the patient burden associated with repeated SDOH screenings across multiple healthcare facilities. We referred readers to our request for comment ''Request for Information on Future Measures for the IPFQR Program'' in section IV.H.2. of the proposed rule for more information regarding our areas of focus for new measures (90 FR 18520). We acknowledged that some IPFs may have expended resources to implement SDOH screenings, however, IPFs that had already implemented such screenings prior to adoption of the measures would not have expended similar resources in response to the measure. The objectives of the IPFQR Program continue to incentivize the improvement of care quality and health outcomes for all patients through transparency and use of appropriate quality measures.

In the proposed rule, we described scenarios for reporting or non-reporting of these data for the FY 2026 payment determination (90 FR 18517). We wish to clarify that the SDOH measures were adopted as voluntary in the IPFQR Program for the FY 2026 payment determination, and not mandatory until beginning with the FY 2027 payment determination (88 FR 51113 and 88 FR 51119 through 511120). We additionally refer readers to a comment response later in this section V.B.F.

We invited public comment on our proposal to remove these SDOH measures from the IPFQR Program beginning with the CY 2024 reporting period. The following is a summary of the comments we received and our responses.

Comment: Many commenters were supportive of these measure removals, citing high burden for patient screening, data storage, and reporting. Several commenters noted that this burden was highest for IPFs without robust electronic health records (EHRs), which had to track these data manually. Several commenters affirmed the importance of SDOH and screening for social needs in the IPF, but were nevertheless supportive of the removal because of what they perceived to be limitations of these measures beyond the rationale offered by CMS (for example, timing of data collection, appropriateness of screening in this format for the IPF setting).

Response: We thank the commenters for their support.

Comment: Some commenters expressed concerns about frequent changes to measures in the IPFQR Program such as the proposed removal of the SDOH measures shortly after their adoption. They cautioned that there are practical consequences for IPFs and that these changes could damage trust in the IPFQR Program.

Response: We strive to maintain a parsimonious set of measures in the IPFQR Program that are reliable and meaningful to patients and IPFs. Ongoing review and evaluation of measures will result in measures being modified, added, or removed over time. We acknowledge that these changes impact IPFs and strive to provide clear guidance and adequate notice for measure changes to the greatest extent feasible.

Comment: Many commenters were opposed to the removal of the SDOH

measures. Many commenters described how SDOH significantly impacts health outcomes and the types of care and services patients may require in the IPF. These commenters stated that screening for SDOH is fundamental to patient-centered care, including clinical outcomes, treatment adherence, and reducing preventable healthcare utilization (for example, emergency department visits and readmissions). Several commenters stated that there is evidence from research and federal models demonstrating that SDOH screening improves health outcomes, reduces healthcare costs, and decreases avoidable utilization. For example, a commenter cited findings from CMS' Accountable Health Communities Model which found decreased heath care expenditures, inpatient stays, and emergency department visits for model participants. Another commenter stated that they believe there is evidence that unmet social needs can lead to missed follow-up appointments, delayed care, and poor chronic disease management. Some commenters stated that removing these measures would disregard the proven value of SDOH interventions.

Response: We appreciate the commenters' commitment to supporting optimal outcomes for their patients, and we recognize the importance of social factors for individuals as they seek to maintain good health or recover from illness. We reiterate that the goal of the removal of these measures is to reduce administrative burden for IPFs and patients. We recognize that there are many clinical practices employed by facilities that have been shown to produce positive outcomes for patients, and the removal of these measures does not preclude those practices from continuing. As we strive to maintain a parsimonious set of measures in the IPFQR Program, we must balance the need for data collection with the costs that such data collections may have on IPFs and their patients. By streamlining the number of measures required for reporting, we believe IPFs will be able to better focus efforts and resources to address the quality issues that matter most to their patients.

Comment: Some commenters disagreed that the cost of the SDOH measures outweighed the benefit, given cost savings through patients' decreased utilization of avoidable emergency department visits and hospitalizations that commenters stated can result through addressing social factors.

Response: Our proposal to remove these measures from the IPFQR Program was based on our assessment of the burden of data collection and reporting, and our conclusion that, at this time, the benefits of retaining these measures in the IPFQR Program are outweighed by the burden to providers. We acknowledge commenters' concerns and encourage IPFs to continue to close identified gaps in patient care including avoidable ED visits and hospitalizations. We urge IPFs to continue to incorporate industry standards that may address challenges that could impact safe high-quality healthcare delivery. Despite removal of these measures from the IPFQR Program, IPFs will still be able to collect data that is important to their patient care initiatives and reflects the unique needs of their specific patient population.

Comment: A commenter stated that the substantial costs to IPFs have already been incurred as they have set up systems to collect these data, claiming that removing the measures now will have minor impacts on cost.

Response: We acknowledge that some IPFs may have aligned resources to prepare for or to begin implementing SDOH screenings, such as selecting standardized screening questions, updating EHRs, and modifying clinician workflow. However, we believe that removal of these measures at this time will reduce greater levels of burden in the future—specifically, the burden incurred by patients and providers for screening, data storage, and data reporting, annually, going forward.

Comment: Many commenters stated that removing SDOH measures would undermine efforts to reduce health disparities and improve quality of care for all patients. Some commenters expressed concern that removing SDOH measures would shift the focus of quality reporting too narrowly toward clinical outcomes, neglecting the broader context of whole-person care and well-being. Several commenters stated that addressing social needs, such as food insecurity and housing instability, is integral to comprehensive care delivery, and long-term recovery, particularly in psychiatric settings. Several commenters stated these measures are a crucial component in promoting nutrition and well-being, areas that CMS has stated an interest in for future measure concepts.

Response: We acknowledge commenters' concerns that the removal of these measures will compromise the ability of the IPFQR Program to support and improve quality of care for all patients, and that removing these measures creates a risk that quality reporting will become too narrowly focused on clinical outcomes. Although we stated we are re-focusing on clinical outcomes in our proposal to remove these measures, we clarify that whole-person care is a priority for CMS, as well as measures that are meaningful to patients. The objectives of the IPFQR Program continue to be the improvement of care, quality, and health outcomes for all patients through transparency and quality measurement, while balancing burden on essential health providers. We note that we regularly review and evaluate IPFQR Program measures to ensure a parsimonious set of the most meaningful quality measures for the IPFQR Program.

We understand that some commenters believe that addressing social needs may be required for optimal care delivery for some patients. Our proposal to remove these measures from the IPFQR Program was based on our assessment of the burden of data collection and reporting, and our conclusion that, at this time, the benefits of retaining these measures in the IPFQR Program are outweighed by the costs and burden to providers. As discussed earlier, we expect providers to exercise their best judgement around factors to account for in their clinical decision-making.

Some commenters linked these measures to concepts of well-being and nutrition. We note that topical overlap does not resolve the issue of patient and provider burden for manual screening, data storage, and data reporting of these measures.

Comment: Several commenters proposed revising or streamlining the SDOH measures rather than removing them entirely. Suggestions included introducing measures that assess connections to community resources, automating reporting through EHRs, allowing sampling methods, using trainees to conduct screenings, incentivizing IPFs for integrating SDOH into their care, and aligning SDOH measures with existing workflows to reduce burden.

Response: We appreciate commenters' suggestions for various modifications to the measures, and ideas for how to reduce burden associated with screening and data collection. In particular, we appreciate the commenters' suggestion to utilize an EHR data collection framework. We refer readers to section V.H.2. of this final rule for a summary of a request for information on our digital quality measurement strategy and approach to using FHIR® for patient assessment reporting in the IPFQR Program.

The burden of including these measures, in their current state, in the IPFQR Program outweighs the benefits the measure data provides to patients and facilities. Commenters suggested ways to make the screening and

reporting process less burdensome for patients and facilities, and offered ideas for how the data collected by these measures provided more informative or actionable information about patient needs or patient care. However, the changes they suggest to meaningfully reduce burden (that is, automated reporting through EHR integration) would require substantial changes to both the measures (for example, standardization of the screening questions) and to the reporting requirement and technological infrastructure of IPFs. We will consider these comments as we continue to develop policies for future rulemaking.

Comment: Several commenters noted that the proposed rule stated if CMS does not finalize the proposal to remove the SDOH measures, that IPFs that do not report their CY 2024 reporting data for the SDOH measures to CMS would be considered noncompliant with the measures for their FY 2026 payment determination, but pointed out that the SDOH measures are voluntary in the IPFQR Program for the CY 2024 reporting period/FY 2026 payment determination.

Response: The commenters are correct. To clarify, the SDOH measures are voluntary for the IPFQR Program for the FY 2026 payment determination. Even if we were not finalizing our proposal to remove these measures, IPFs could choose not to submit data on these measures for the voluntary CY 2024 reporting period and still be compliant with IPFQR Program requirements for the FY 2026 payment determination.

Comment: Two commenters stated concerns about the timing of the measure removals. A commenter requested that these measures not be removed from the IPFQR Program until the CY 2026 reporting period/FY 2028 payment determination, as IPFs are currently collecting these data (that is, CY 2025 reporting period data for FY 2027 payment determination). Another commenter stated that the proposed measure removals should have been addressed in prior rulemaking, as the current implementation timeline is challenging for health IT vendors to support. They noted that IT vendors are currently engaged in development for an October 1, 2025, implementation of the mandatory reporting period, but note that these proposals may render those investments obsolete. They encouraged CMS to better align measure removal timelines with operational considerations, such as development of health IT.

Response: We acknowledge the impacts of this implementation timeline. The measures are being removed on the proposed timeline to alleviate the burden on patients and providers as soon as possible. Removal on a delayed timeline would mean requiring IPFs to collect and report measures whose benefit has been determined to be outweighed by the cost and burden of implementation and collection.

Final Decision: After consideration of the comments we received, we are finalizing our proposal to remove the Screening for SDOH and Screen Positive measures as proposed.

F. Summary of IPFQR Program Measures

1. IPFQR Program Measures for the FY 2028 Payment Determination

In this final rule, we are modifying the reporting period of one measure (the IPF ED Visit Measure) and removing four measures (the Facility Commitment to Health Equity measure, the COVID–19 Vaccination Coverage Among Healthcare Personnel (HCP) Measure, the Screening for Social Drivers of Health measure, and the Screen Positive Rate for Social Drivers of Health measure). We did not propose any new measures for the IPFQR Program in the FY 2026 IPF PPS proposed rule. Table 5 sets forth the finalized measures for the IPFQR Program for the FY 2028 payment determination.

TABLE 5—IPFQR PROGRAM MEASURE SET FOR THE FY 2028 PAYMENT DETERMINATION

Consensus-based entity (CBE) #	Measure ID	Measure
0640	HBIPS–2	Hours of Physical Restraint Use.
0641	HBIPS–3	Hours of Seclusion Use.
N/A	FAPH	Follow-Up After Psychiatric Hospitalization.
N/A *	SUB–2 and SUB–2a	Alcohol Use Brief Intervention Provided or Offered and SUB–2a Alcohol Use Brief Intervention.
N/A *	SUB–3 and SUB–3a	Alcohol and Other Drug Use Disorder Treatment Provided or Offered at Discharge and SUB–3a Alcohol and Other Drug Use Disorder Treatment at Discharge.
N/A *	TOB–3 and TOB–3a	Tobacco Use Treatment Provided or Offered at Discharge and TOB–3a Tobacco Use Treatment at Discharge.
1659	IMM–2	Influenza Immunization.
N/A *	TR–1	Transition Record with Specified Elements Received by Discharged Patients (Discharges from an Inpatient Facility to Home/Self Care or Any Other Site of Care).
N/A	SMD	Screening for Metabolic Disorders.
N/A	PIX	Psychiatric Inpatient Experience Survey.
2860	IPF Unplanned Readmission	Thirty Day All-Cause Unplanned Readmission Following Psychiatric Hospitalization in an Inpatient Psychiatric Facility.
N/A *	Med Cont	Medication Continuation Following Inpatient Psychiatric Discharge.

* Measure is no longer endorsed by the CBE but was endorsed at the time of adoption. We note that although section 1886(s)(4)(D)(i) of the Act generally requires measures specified by the Secretary be endorsed by the entity with a contract under section be endorsed by the entity with a contract under section 1890(a) of the Act, section 1886(s)(4)(D)(ii) of the Act states that in the case of a specified area or medical topic determined appropriate by the Secretary for which a feasible and practical measure has not been endorsed by the entity with a contract under section 1890(a) of the Act, the Secretary may specify a measure that is not so endorsed as long as due consideration is given to measures that have been endorsed or adopted by a consensus organization identified by the Secretary. We attempted to find available measures for each of these clinical topics that have been endorsed or adopted by a consensus organization and found no other feasible and practical measures on the topics for the IPF setting.

2. IPFQR Program Measures for the FY 2029 Payment Determination

Table 6 sets forth the finalized measures for the IPFQR Program for the FY 2029 IPFQR payment determination.

TABLE 6—IPFQR PROGRAM MEASURE SET FOR THE FY 2029 PAYMENT DETERMINATION

Consensus-based entity (CBE) #	Measure ID	Measure
0640	HBIPS–2	Hours of Physical Restraint Use.
0641	HBIPS–3	Hours of Seclusion Use.
N/A	FAPH	Follow-Up After Psychiatric Hospitalization.
N/A *	SUB–2 and SUB–2a	Alcohol Use Brief Intervention Provided or Offered and SUB–2a Alcohol Use Brief Intervention.
N/A *	SUB–3 and SUB–3a	Alcohol and Other Drug Use Disorder Treatment Provided or Offered at Discharge and SUB–3a Alcohol and Other Drug Use Disorder Treatment at Discharge.
N/A *	TOB–3 and TOB–3a	Tobacco Use Treatment Provided or Offered at Discharge and TOB–3a Tobacco Use Treatment at Discharge.
1659	IMM–2	Influenza Immunization.
N/A *	TR–1	Transition Record with Specified Elements Received by Discharged Patients (Discharges from an Inpatient Facility to Home/Self Care or Any Other Site of Care).
N/A	SMD	Screening for Metabolic Disorders.
N/A	PIX	Psychiatric Inpatient Experience Survey.
2860	IPF Unplanned Readmission	Thirty Day All-Cause Unplanned Readmission Following Psychiatric Hospitalization in an Inpatient Psychiatric Facility.
N/A	IPF ED Visit	30-Day Risk-Standardized All-Cause Emergency Department Visit Following an Inpatient Psychiatric Facility Discharge.
N/A *	Med Cont	Medication Continuation Following Inpatient Psychiatric Discharge.

* Measure is no longer endorsed by the CBE but was endorsed at the time of adoption. We note that although section 1886(s)(4)(D)(i) of the Act generally requires measures specified by the Secretary be endorsed by the entity with a contract under section be endorsed by the entity with a contract under section 1890(a) of the Act, section 1886(s)(4)(D)(ii) of the Act states that in the case of a specified area or medical topic determined appropriate by the Secretary for which a feasible and practical measure has not been endorsed by the entity with a contract under section 1890(a) of the Act, the Secretary may specify a measure that is not so endorsed as long as due consideration is given to measures that have been endorsed or adopted by a consensus organization identified by the Secretary. We attempted to find available measures for each of these clinical topics that have been endorsed or adopted by a consensus organization and found no other feasible and practical measures on the topics for the IPF setting.

G. IPFQR Program Extraordinary Circumstances Exception (ECE) Policy

1. Background

Under the current Extraordinary Circumstances Exception (ECE) policy as set forth in our regulations at 412.433(f), we have granted exceptions with respect to quality data reporting requirements in the event of extraordinary circumstances beyond the control of an IPF. An exception may be granted for extraordinary circumstances including, but not limited to, natural disasters or systemic problems with data collection systems. In the FY 2026 IPF PPS proposed rule, we referred readers to 412.433(f) for our current ECE regulations, as well as the FY 2013 IPPS/LTCH PPS final rule (77 FR 53659 through 53660), FY 2014 IPPS/LTCH PPS final rule (78 FR 50903), FY 2015 IPF PPS final rule (79 FR 45978), and FY 2018 IPPS/LTCH PPS final rule (82 FR 38473 through 38474) for further background and details of the ECE policy (90 FR 18518 through 18519). We also referred readers to the CMS QualityNet website for the specific requirements for submission of an ECE request in the IPFQR Program.[12]

Our ECE policy provides flexibility for IPFQR Program participants to ensure continuity of quality care delivery and measure reporting in the event of an extraordinary circumstance. For instance, we recognized that, in circumstances where a full exception is not applicable, it is beneficial for an IPF to report data later than the reporting deadline. Delayed reporting authorized under our ECE policy allows temporary relief for an IPF experiencing an extraordinary circumstance while preserving the benefits of data reporting, such as transparency and informed decision-making for beneficiaries and providers alike. Accordingly, we proposed to update our regulations to specify that an ECE could take the form of an extension of time for an IPF to comply with a data reporting requirement if CMS determines that this type of relief would be appropriate under the circumstances.

2. Update of the Extraordinary Circumstances Exception (ECE) Policy for the IPFQR Program

As discussed in the FY 2026 IPF PPS proposed rule, we proposed to update the current ECE policy codified at 42 CFR 412.433(f) to include extensions of time as a form of relief and to further clarify the policy (90 FR 18518 through 18519). Specifically, in the introductory text at proposed 42 CFR 412.433(f)(1), we proposed that CMS may grant an ECE with respect to reporting requirements in the event of an extraordinary circumstance—defined as an event beyond the control of an IPF (for example a natural or man-made disaster such as a hurricane, tornado, earthquake, terrorist attack, or bombing)—that affected the ability of the hospital to comply with one or more applicable reporting requirements with respect to a fiscal year.

We proposed that the steps required for requesting or granting an ECE would remain the same as the current ECE process, detailed by CMS at the QualityNet website or a successor website.[13] At proposed 42 CFR 412.433(f)(2)(i), we proposed that an IPF may request an ECE within 30 calendar days of the date that the extraordinary circumstance occurred. Our current policy allows a request within 90 days; however, the proposed change would align the IPFQR Program policy with CMS systems implementation requirements across all quality reporting programs. Under the proposed codified policy, we clarified that CMS retains the

[12] *https://qualitynet.cms.gov/ipf/ipfqr/participation.*

[13] *https://qualitynet.cms.gov/inpatient/iqr/participation#tab3.*

authority to grant an ECE as a form of relief at any time after the extraordinary circumstance has occurred. At proposed 42 CFR 412.433(f)(2)(ii), we proposed that CMS notify the requestor with a decision in writing, via email. In the event that CMS grants an ECE to the IPF, the written decision will specify whether the IPF is exempted from one or more reporting requirements or whether CMS has granted the IPF an extension of time to comply with one or more reporting requirements.

Additionally, at 42 CFR 412.433(f)(3), we proposed that CMS may grant an ECE to one or more IPFs that have not requested an ECE if CMS determines that: a systemic problem with a CMS data collection system directly impacted the ability of the IPF to comply with a quality data reporting requirement, or that an extraordinary circumstance has affected an entire region or locale. As is the case under our current policy, any ECE granted will specify whether the affected IPFs are exempted from one or more reporting requirements or whether CMS has granted the IPFs an extension of time to comply with one or more reporting requirements.

The proposed ECE policy would provide further reporting flexibility for IPFs and clarify the ECE process.

We invited public comments on our proposals to update the ECE policy for the IPFQR Program.

Comment: Several commenters were supportive of CMS's proposal to modify the ECE policy to explicitly include reporting extensions as a form of exception.

Response: We thank commenters for their support.

Comment: A commenter stated a concern that CMS could effectively replace reporting exceptions with reporting extensions, and that this might not be appropriate for many providers experiencing extraordinary circumstances. The commenter recommended that CMS use extensions sparingly.

Response: We thank the commenters for their recommendations. We will continue to consider ECE applications on a case-by-case basis and offer any exception or extension based on the nature of the extraordinary circumstance and the capacity of the provider, as well as CMS operational feasibility to grant an exception versus an extension. We note our preference to grant an extension when it can be feasibly granted because of the importance of having quality measure data particularly for public reporting purposes, as transparency is a paramount goal of the program.

Comment: A commenter recommended that CMS ensure that the ECE application process is clear, imposes minimal administrative burden, and that CMS provides technical assistance for IPF navigating the ECE process.

Response: To extent applicable, we strive to ensure the ECE application process is aligned across multiple hospital quality reporting programs to minimize administrative burden and promote process clarity, such as by using a single form.

In addition, ECE-related education and outreach materials, as well as copies of the form, are available on QualityNet.[14] We also have the IPFQR Program Help Desk [15] to answer questions from facilities if facilities require assistance.

Comment: A few commenters opposed the update to the timeframe for IPFs to submit an ECE request from 90 days to 30 days. These commenters described 30 days as being inadequate and impractical. A commenter recommended that CMS retain the current policy of 90 days, citing increasing frequency of extreme weather events as well as cyberattacks. A commenter referred to the experience of hospitals in Virginia and North Carolina that experienced severe flooding in 2024, stating that facilities that experience an extraordinary circumstance could reasonably still be restoring operations and focusing on patient care 30 days after the emergency. This commenter expressed concern that moving to a 30-day window could lead to situations where hospitals miss the ECE request deadline because they are still dealing with the emergency. This commenter stated that if CMS believes a shorter timeframe is needed, a 60-day request window would be preferrable to the 30-day window in the proposal. This commenter also recommended that CMS consider late ECE applications on a case-by-case basis.

Response: We appreciate the commenters' responses. We recognize that IPFs may not have the ability to assess the impact on quality data submissions and complete the necessary paperwork within 30 days of the extraordinary circumstance. Due to concerns regarding IPFs' ability to complete the ECE request within 30 days of the extraordinary circumstance, we are modifying the timeframe to allow for 60 days to submit an ECE request. We believe this timeframe will provide sufficient time for IPFs to assess the impact on quality reporting without disrupting operational and care needs. Therefore, we are finalizing a modified policy that states that IPF may request an ECE within 60 calendar days of the date that the extraordinary circumstance occurred.

Comment: A commenter recommended that CMS include additional details on how the determination of an exception versus an extension will be made, stating that transparency will help facilities prepare for the outcome of the process (that is, whether they are likely to receive an extension or an exception).

Response: We consider ECE applications on a case-by-case basis and make the decision to offer relief based on the nature of the extraordinary circumstance and the capacity of the provider, as well as CMS operational feasibility to grant an exception or an extension. IPFs applying for an ECE are encouraged to share relevant details that would inform our decision on whether to grant an exception or an extension, which we will take into account when reviewing the application. As noted, we generally will prefer to grant an extension when it can be feasibly granted because of the importance of having quality measure data particularly for public reporting purposes.

Final Decision: After consideration of the comments we received, we are finalizing our proposal to update and codify updates to the ECE policy with modification. After consideration of concerns identified in public comments regarding the proposed 30 calendar day timeframe during which an IPF may request an ECE, and for the reasons described above, we are finalizing a different timeframe in which an ECE can be requested. We will allow up to 60 calendar days for ECE requests after the precipitating event. We are codifying this updated ECE policy at § 412.434(f) with modification to reflect this extended deadline.

H. Requests for Information on Future Changes to the IPFQR Program

We solicited public comment on the three following topics that may have future impacts on the IPFQR Program.

1. Request for Information on Future Star Ratings for IPFs

Section 1886(s)(4)(F) of the Act requires that the Secretary establish procedures for making data submitted under the IPFQR Program available to the public. Such procedures must ensure the IPFs participating in the

[14] *https://qualitynet.cms.gov/ipf/ipfqr/participation#tab3.*

[15] The IPFQR Program Help Desk can be accessed through the Quality Question and Answer Tool at *https://cmsqualitysupport.servicenowservices.com/qnet_qa.*

IPFQR Program have the opportunity to review the data prior to such data being made public. The Secretary must publicly report quality measures that relate to services furnished in IPFs on the CMS website. Currently, we publicly report data on measures under the IPFQR Program on the Compare tool on *Medicare.gov*.[16]

Star ratings summarize facility or provider performance using symbols to help patients and caregivers quickly and easily understand quality of care information. Star ratings serve an important function for patients, caregivers, and families, helping them to more quickly comprehend complex information about a healthcare providers' care quality and to easily assess differences among providers. Star ratings also spotlight differences in healthcare quality and identify areas for improvement and may motivate providers to perform well on measures in CMS quality reporting programs. This transparency serves an important educational function for consumers, while also helping to promote competition in health care markets. Informed patients and consumers are more empowered to select among healthcare providers, fostering continued quality improvement.

The Compare tool currently displays star ratings for many provider types, including doctors and clinicians, some types of hospitals not including inpatient psychiatric hospitals, nursing homes, home health, hospice, and dialysis facilities. The method to calculate star ratings differs by provider type. Differences include data sources, which measures are included, and how the components of the star ratings are combined. Some providers receive ''patient survey'' star ratings, a composite score derived from patient experience of care surveys, in addition to ''overall star ratings,'' which are a composite score calculated using different data sources, such as quality measures or survey results.

Although we publicly report data on measures under the IPFQR Program on the Compare tool, there are currently no star ratings displayed for IPFs, and IPFs are not included in hospital star ratings. We sought feedback on the development of a five-star methodology for IPFs that can meaningfully describe the quality of care offered by IPFs. Star ratings for IPFs would be designed to help consumers quickly identify differences in quality when selecting an IPF. We are committed to developing a well-tested, data-driven methodology that encourages continuous quality improvement. We plan to engage with the IPF community and provide multiple opportunities for IPFs and other interested parties to give input on the development of a star rating system for IPFs. We noted that IPFs would have the ability to preview their own facility's quality data before public posting of the IPF's star rating on the Compare tool in accordance with section 1886(s)(4)(F) of the Act.[17]

Specifically, in the FY 2026 IPF PPS proposed rule, we invited public comments on the following topics (90 FR 18519 through 18520).

Criteria for Measure Selection

1. Are there specific criteria CMS should use to select measures for an IPF star rating system, such as a measure's generalizability (degree to which a measure is applicable to a broad segment of patients)?

2. Should an IPF star rating system be limited to or more heavily weight certain types of measures (for example, outcome measures, process measures, structural measures; measures that address certain topics, such as safety, psychiatric treatment, substance use treatment, whole-person care, or patient experience)?

Suitability of Measures Currently in the IPFQR Program

3. From the perspective of patients and families or other caregivers, which measures currently adopted for the IPFQR Program are most important when attempting to summarize quality of care in IPFs? Which are least important? Are there any measures in the program that should be specifically excluded or included in IPF Star Ratings? For the list of IPFQR Program measures, we referred the reader to Table 6 in section IV.F. in the proposed rule.

4. From the perspective of referring providers, payers, or other interested parties, which measures currently adopted for the IPFQR Program are most important when attempting to summarize quality of care in IPFs? Which are least important? Are there any measures in the program that should be specifically excluded or included in an IPF star ratings system?

5. Two measures currently in the IPFQR Program—Hours of Physical Restraint Use (HBIPS–2) and Hours of Seclusion Use (HBIPS–3)are calculated and publicly reported as a rate per 1000 hours of patient care. Does the way these measures are currently specified and displayed create challenges for including these measures in a star rating calculation? If these measures were selected to be included in a star rating calculation, are there recommendations about how these measures should be included in a larger star rating methodology? For example, should the rate be made into a categorical variable (for example, quartiles)?

Future Use of Additional Data for an IPF Star Rating System

6. In the FY 2024 IPF PPS final rule (88 FR 51128), we finalized the Psychiatric Inpatient Experience (PIX) survey as a measure of patient experience in IPFs. The PIX survey will become mandatory for the FY 2028 payment determination—that is, data collection occurring in CY 2026. Although PIX data may not be available for an initial version of an IPF star rating system, what considerations should CMS give these data, when they become available? For example, should they be included as part of an overall star rating, or used to derive a stand-alone patient experience star rating? See for example the Hospital patient experience star rating,[18] which is derived from the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS©) survey and displayed as ''Patient survey rating'' on the Compare tool.

7. Are there other measurement topics that are currently not addressed by an IPFQR Program measure, but would be valuable in an IPF star rating?

We intend to use this input to inform our future star rating development efforts. We intend to consider how a rating system would determine an IPF's star rating, the methods used for such calculations, and an anticipated timeline for implementation. We will consider comments in response to this RFI for future rulemaking.

The following is a summary of the comments we received and our responses.

Comment: Many commenters acknowledged the potential value of a star rating system for IPFs, but some expressed concerns about the uses and usability of star ratings for patients and providers, as well as the readiness of the IPFQR Program to supply sufficient and appropriate data to support star rating development at this time.

A few commenters agreed with CMS that star ratings can help consumers make sense of the complex quality measure information available on Care Compare, and could support consumer

[16] *https://www.medicare.gov/care-compare.*

[17] Currently IPFs preview their data via the ''IPF-specific report (ISR)'' distributed to providers through CMS' Hospital Quality Reporting system.

[18] *https://hcahpsonline.org/en/hcahps-star-ratings/.*

choice in addition to accountability and quality improvement. However, several commenters stated that the existing CMS star rating systems are not widely known or understood by consumers, limiting their effectiveness in helping patients make informed decisions. In addition, some comments noted that patients seeking psychiatric care often do so in crisis situations, where facility choice is constrained by bed availability, geographic limitations, or insurance coverage. They stated concerns that these constraints may limit the usefulness of star ratings to patients and caregivers. Some commenters cautioned that star ratings can affect IPFs referral and payment patterns, and urged CMS to be cautious in ensuring that ratings did not disadvantage certain providers based on patient case-mix (for example, patients who are involuntarily admitted, patients with high levels of social needs), available of resources in the geographic area, or state-level policies.

Many commenters recommended that CMS prioritize certain domain areas for measures included in a star rating system, chiefly aspects of care that they stated are important to most psychiatric patients. These domains included patient safety (including physical assaults, sexual assaults, suicides, unexpected deaths, injuries, and elopements; facility inspection reports, complaints, and regulatory violations), patient experience (including patient dignity and rights, and patient-reported experience of care), and topics and outcomes specific to psychiatric care.

In addition, many commenters recommended evaluation criteria for CMS to use when selecting measures. Criteria included usefulness, scientific quality of the measure (for example, well-defined, accurate, reliable), extent to which the measure included a broad segment of the patient population, reportability (that is, that most IPFs would have sufficient data to report on the measure), and measures that are linked to IPFs' care processes or patient outcomes. Some commenters also recommended that new measures or measures that have changed specifications be excluded from consideration. Many commenters, after applying their suggested criteria, stated that only two measures currently in the IPFQR Program—HBIPS–2 and HBIPS–3—are appropriate to include in a rating system.

Many commenters emphasized the need for methodological rigor as well as collaboration with experts and interested parties—including people affected by serious mental illness and their families—to ensure that any future star rating system is developed in a way that it is meaningful to patients, reflective of quality of care, and fair to the wide range of IPF providers.

Response: We thank commenters for their responses to this comment solicitation. We will consider these comments as we continue to develop policies for future rulemaking.

2. Request for Information on Future Measures for the IPFQR Program

In the FY 2026 IPF PPS proposed rule, we sought input on the importance, relevance, appropriateness, and applicability of two concepts under consideration for future years in the IPFQR Program (90 FR 18520).

We sought input on a quality measure concept of well-being for future quality measures. Well-being is a comprehensive approach to disease prevention and health promotion, as it integrates mental, social, and physical health [19] [20] while emphasizing preventive care to proactively address potential health issues. This comprehensive approach emphasizes person-centered care by promoting well-being of patients and their family members. We requested input and comment on tools and measures that assess for overall health, happiness, and satisfaction in life that could include aspects of emotional well-being, social connections, purpose, fulfillment, and self-care work. We requested input on the relevant aspects of well-being for the IPF setting.

We sought input on a quality measure concept of nutrition for future quality measures. Assessment of an individual's nutritional status may include various strategies, guidelines, and practices designed to promote healthy eating habits and ensure individuals receive the necessary nutrients for maintaining health, growth, and overall well-being. This also includes aspects of health that support or mediate nutritional status, such as physical activity and sleep. In this context, preventable care plays a vital role by proactively addressing factors that may lead to poor nutritional status or related health issues. These efforts not only support optimal nutrition but also work to prevent conditions that could otherwise hinder an individual's health and nutritional needs. We requested input and comment on tools and frameworks that promote healthy eating habits; exercise, nutrition, or physical activity for optimal health; well-being; and best care for all. Please provide input on the relevant aspects of nutrition for the IPF setting.

We noted that we plan to use this input to inform our future measure development efforts.

The following is a summary of the comments we received and our responses.

Comment: Many commenters expressed concerns about the applicability of well-being and nutrition measures in the IPF setting, where care is focused on stabilizing patients experiencing acute mental health crises. They stated that these measures do not align with the primary focus of IPFs, which is safety and stabilization of severe psychiatric conditions. Several commenters were critical of the relationship between nutrition or well-being measures and the quality of care of an IPF, stating that measures on these topics were not likely to reflect patient care and rather only describe the patients' experience in the time before they entered the IPF.

Several commenters stated that many aspects of well-being and nutrition are already addressed by IPFs in current workflows, in a way that is appropriate for IPFs and tailored to individual patients' needs. Some commenters stated concerns that measures on these topics would add administrative burden without providing meaningful benefits. Some commenters stated concerns about the operational challenges of implementing new measures, including costs, technology upgrades, and methodological issues. Some commenters encouraged engagement with experts and IPF interested parties in the development of measures to address these topics.

With regard to well-being, a few commenters questioned the ability of IPF patients to comprehend and accurately respond to well-being measures at the time of an IPF stay. A commenter noted that well-being measures, such as happiness and life satisfaction, are better suited to less-intensive care settings. A few commenters recommended that CMS consider scales from the Patient-Reported Outcomes Measurement Information System (PROMIS), which includes patient-centered measures covering domains like global health and social participation. A few commenters recommended that CMS consider the World Health Organization Well-Being Index (WHO–5), which is brief, validated, and applicable across psychiatric conditions.

[19] Overall well-being. See more information at *https://odphp.health.gov/healthypeople/objectives-and-data/overall-health-and-well-being-measures/overall-well-being-ohm-01.*

[20] Well-Being Measurement. See more information at *https://www.va.gov/WHOLEHEALTH/professional-resources/well-being-measurement.asp.*

With regard to nutrition, some commenters were concerned that full nutritional assessment for each patient would not be appropriate nor an efficient use of resources; they stated that IPFs already screen for nutritional issues and conduct further assessment or develop treatment plans as appropriate for individual cases. Commenters were mixed on their support for specific measures of nutrition. A few commenters supported the Global Malnutrition Assessment Measures, largely because it is already in use in other programs and hospital types, while a few commenters recommended that CMS select an alternative to these measures due to its administrative burden and concerns about scoring. A few commenters recommended measuring nutrition via food-related SDOH constructs, such as residing in a food desert or food insecurity.

Many commenters highlighted the connection between well-being, nutrition, and social factors, such as those assessed by the SDOH screening measure that CMS is removing from the IPFQR Program. Several commenters opposed the removal of those measures and suggested that CMS develop new measures for well-being and nutrition that align with or expand on the existing SDOH assessments.

Response: We thank commenters for their responses to this comment solicitation. We will consider these comments as we continue to develop policies for future rulemaking.

3. Request for Information on Digital Quality Measurement Strategy: Approach to FHIR® Patient Assessment Reporting in the IPFQR Program

Section 4125(b) of the Consolidated Appropriations Act of 2023 (CAA, 2023) (Pub. L. 117–328, Dec. 29, 2022) [21] amended section 1886(s)(4) of the Act by adding a new subparagraph (E), which requires an IPF participating in the IPFQR Program to collect and submit specified standardized patient assessment data using a new standardized patient assessment instrument, for rate year 2028 and each subsequent year.

As noted in the RFI [22] in the FY 2025 IPF PPS proposed rule (''Patient Assessment Instrument Under IPFQR Program (IPF PAI) to Improve the Accuracy of PPS''), achieving interoperability is important and it is our goal to facilitate safe and secure data sharing, access, and utilization of electronic health information to enhance decision-making and create a more efficient healthcare system (89 FR 23201 through 23204). We also stated that we are considering ways to ensure that the Inpatient Psychiatric Facility Patient Assessment Instrument (IPF–PAI) can be represented using Fast Healthcare Interoperability Resources® (FHIR®) standards (89 FR 23201). As part of that RFI, we requested and received input on topics including whether Standardized Patient Assessment Data Elements already in use in the CMS Data Element Library (DEL) [23] are appropriate and clinically relevant for the IPF setting, use of CMS reporting systems, and other interoperability-related considerations (89 FR 23201). In the FY 2025 IPF PPS final rule, we acknowledged a recommendation to align the IPF–PAI with United States Core Data for Interoperability (USCDI) [24] and several commenters noted IPFs did not receive funding to adopt CEHRT, suggesting we consider how the implementation of the IPF–PAI would affect providers without EHRs (89 FR 64646).

We are considering opportunities to advance FHIR-based reporting of patient assessment data for the IPF–PAI mandated by the CAA, 2023. The FY 2026 IPF PPS proposed rule included questions in this section and sought to gain an understanding of the current adoption and use of EHRs, other health IT, and data standards supporting interoperability (such as FHIR and USCDI) within IPFs (90 FR 18520 through 90 FR 18523). We also aimed to identify the extent of technology adoption beyond certified health IT and EHRs and seek a better understanding of how FHIR-standardized data can be generated, used, and shared through other technologies, without use of EHRs. Our objective was to explore how IPFs typically integrate technologies with varying complexity into existing systems and how this affects IPF workflows. We sought to identify the challenges or opportunities that may arise during this integration, and determine the support needed to complete and submit the IPF–PAIs in ways that protect and enhance care delivery. This insight will help inform the technologies we may consider for use with the IPF–PAI and quality data reporting. This same RFI also appeared in the FY 2026 IPPS proposed rule, as a majority of IPFs are hospital-based,[25] to increase the number of interested parties who learn about this opportunity to provide feedback (90 FR 18326 through 18327).

We sought feedback on the current state of health IT use, including EHRs, in IPFs:

- To what extent does your facility use health IT systems to maintain and exchange patient records?
- If your facility has transitioned to using electronic records in whole or in part, what types of health IT does your IPF use to maintain patient records? Are these health IT systems certified under the Office of the National Coordinator for Health Information Technology (ONC) Health IT Certification program? [26] Does your facility use EHRs or other health IT products or systems that are not certified under the ONC Health IT Certification Program? If so, do these systems exchange data using standards and implementation specifications adopted by HHS? [27] Please specify.
- Does your IPF submit patient data to CMS directly from your health IT system, without the assistance of a third-party intermediary? If a third-party intermediary is used to report data, what type of intermediary service is used? How does your facility currently exchange health information with other healthcare providers or systems, specifically between IPFs and other provider types, or with public health agencies? What challenges do you face with the electronic exchange of health information?
- Are there any challenges with your current electronic devices (for example, tablets, smartphones, computers) that hinder your ability to easily exchange information across health IT systems? Please describe any specific issues you encounter.
- Does limited internet or lack of internet connectivity impact your ability to exchange data with other healthcare providers, including community-based care services, or your ability to submit patient data to CMS?
- What steps does your IPF take to ensure compliance in using health IT with security and patient privacy requirements such as the requirements of the regulations promulgated under

[21] *https://www.congress.gov/117/plaws/publ328/PLAW-117publ328.pdf.*

[22] ''Patient Assessment Instrument Under IPFQR Program (IPF PAI) to Improve the Accuracy of PPS'' (89 FR 23200 through 23204).

[23] *https://del.cms.gov/DELWeb/pubHome.*

[24] *https://www.healthit.gov/isp/united-states-core-data-interoperability-uscdi.*

[25] We refer readers to the FY 2025 IPF PPS-Rate Update final rule, Table 24 (89 FR 64670). Based on this data, 59.3 percent of IPFs were hospital-based units, a figure derived by dividing the sum of urban and rural units by the total number of facilities.

[26] *https://www.healthit.gov/topic/certification-ehrs/about-onc-health-it-certification-program.*

[27] For instance, see standards adopted by ASTP/ONC on behalf of HHS in 45 CFR part 170, subpart B.

the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Public Law 104–191, 110 Stat. 1936 (August 21, 1996) and related regulations?

- Does your IPF refer to the SAFER Guides (see newly revised versions published in January 2025 at *https://www.healthit.gov/topic/safety/safer-guides*) to self-assess EHR safety practices? [28]

- What challenges or barriers does your IPF encounter when submitting quality measure data to CMS as part of the IPFQR Program? Please identify any factors that hinder successful data submission. What opportunities or factors could improve your facility's successful data submission to CMS?

- What types of technical assistance, guidance, workforce training resources, and other resources would help IPFs to successfully implement FHIR-based technologies for submitting the IPF–PAI to CMS? What strategies can CMS, HHS or other Federal partners take to ensure that technical assistance is both comprehensive and user-friendly? How could Quality Improvement Organizations or other entities enhance this support?

- Is your facility using technology that utilizes APIs based on the FHIR standard to enable electronic data sharing? If so, with whom are you sharing data using the FHIR standard and for what purpose(s)? For example, have you used FHIR APIs to share data with public health agencies? Does your facility use any Substitutable Medical Applications and Reusable Technologies (SMART) on FHIR [29] applications? If so, are the SMART on FHIR applications integrated with your EHR or other health IT?

- What benefits or challenges have you experienced with implementing technology that uses FHIR-based APIs? How can adopting technology that uses FHIR-based APIs to facilitate the reporting of patient assessment data impact provider workflows? What impact, if any, does adopting this technology have on quality of care?

- Does your facility have any experience using technology that shares electronic health information using one or more versions of the USCDI standard? [30]

- Would your IPF and/or vendors be interested in participating in testing to explore options for transmission of assessments, for example, testing methods to transmit assessments that incorporate FHIR-enabled data to CMS?

- What other information should we consider, to facilitate successful adoption and integration of FHIR-based technologies and standardized data for patient assessment instruments like the IPF–PAI? We invited any feedback, suggestions, best practices, or success stories related to the implementation of these technologies.

The following is a summary of the comments we received to this RFI from both the FY 2026 IPF PPS proposed rule (90 FR 18520 through 90 FR 18523) and the FY 2026 IPPS proposed rule (90 FR 18326 through 18327), where this RFI also appeared.

Comment: Many commenters expressed support for CMS' intent to transition to the FHIR-based standard in IPFQR, particularly for the IPF–PAI. A few commenters noted the opportunity for a FHIR-based standard to improve care coordination, enable actionable insights, and integrate structured data into EHRs. A few commenters highlighted the potential for FHIR to modernize behavioral health data reporting, enhance discharge planning, and enable meaningful performance measurement.

Many commenters identified challenges that may hinder interoperability efforts in IPFs. Challenges shared included: inconsistent state laws governing data-sharing and outdated provider directories, expense and complexity caused by non-standard reporting requirements, internet connectivity issues (particularly in rural areas), lack of ability for some IPFs to accept direct messaging, and outdated systems, particularly in stand-alone IPFs. A few commenters noted the high cost and burden of implementing FHIR-based technologies for facilities without certified EHRs.

A few commenters described variability in EHR adoption and infrastructure readiness across IPF facilities. A few commenters reported adopting EHRs capable of utilizing USCDI, with a commenter indicating that most of their members have or are currently implementing EHRs that support both USCDI and FHIR. Several commenters noted that while adoption continues to improve, they remain concerned about the low adoption rate of certified EHRs in IPFs compared to other healthcare settings. A few commenters urged CMS to provide financial incentives and technical assistance to support rural and resource-constrained IPF facilities in transitioning to FHIR-based systems. A few commenters specifically highlighted IPFs' exclusion from the HITECH Act as a cause for many IPFs having outdated systems that are incapable of interoperable data exchange and urged CMS to provide equitable support for IPFs. Lastly, a few commenters noted that many freestanding IPFs rely on non-EHR vendors for data submission, which further complicates their ability to transition to FHIR-based reporting.

A few commenters provided recommendations to support the dQM transition in IPFs. Recommendations to CMS included: updating USCDI standards to incorporate specific FHIR-based data elements, providing consistent reporting processes to reduce provider burden, encouraging collaboration with health IT vendors, testing FHIR-enabled data submission methods, ensuring solutions reflect the unique needs of IPFs, and allowing 18 to 24 months for FHIR API development and testing.

Response: We appreciate all the comments received on this topic as we continue transitioning to dQM in CMS quality programs, and in our efforts toward a patient-centric digital health ecosystem.

VI. Collection of Information Requirements

This final rule updates the prospective payment rates, outlier threshold, and wage index for Medicare inpatient hospital services provided by IPFs. In addition, we are finalizing the removal of one measure in the IPFQR Program that will affect the information collection burden under OMB control number 0938–0050.

Under the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501 *et seq.*), we are required to provide notice in the **Federal Register** and solicit public comment before a ''collection of information'' requirement is submitted to the Office of Management and Budget (OMB) for review and approval. For the purposes of the PRA and this section of the preamble, collection of information is defined under 5 CFR 1320.3(c) of the PRA's implementing regulations.

To fairly evaluate whether an information collection should be approved by OMB, 44 U.S.C. 3506(c)(2)(A) requires that we solicit comment on the following issues:

[28] The SAFER Guides are an evidence-based set of recommendations in the form of nine stand-alone, subject-oriented chapters that present the health IT community, including eligible hospitals and CAHs that use health IT, with best practice recommendations to improve the safety and safe use of EHRs. See *https://www.healthit.gov/topic/safety/safer-guides.*

[29] *https://smarthealthit.org/.*

[30] For more information about USCDI see *https://www.healthit.gov/isp/united-states-core-data-interoperability-uscdi.*

• The need for the information collection and its usefulness in carrying out the proper functions of our agency.
• The accuracy of our estimate of the information collection burden.
• The quality, utility, and clarity of the information to be collected.
• Recommendations to minimize the information collection burden on the affected public, including automated collection techniques.

We solicited public comment (see section V.E. of the proposed rule) on each of these issues for the following sections of this document that contain information collection requirements.

The following changes will be submitted to OMB for review under control number 0938–1171 (CMS–10432). We did not propose any changes that would change any of the data collection instruments that are currently approved under that control number.

In section VI.B. of this final rule, we restated our currently approved burden estimates. In section VI.C. of this final rule, we estimate the changes in burden associated with the update to more recent wage rates. Then in section VI.D. of this final rule, we discuss the policies finalized in this final rule.

A. Wage Estimates

In the FY 2025 IPF PPS final rule, we utilized the median hourly wage rate for Medical Records Specialists, in accordance with BLS, to calculate our burden estimates for the IPFQR Program (89 FR 64664). While the most recent data from the BLS reflects a mean hourly wage of $25.81 per hour for all medical records specialists, $27.69 is the mean hourly wage for ''general medical and surgical hospitals,'' which is an industry within medical records specialists.[31] We believe the industry of ''general medical and surgical hospitals''' is more specific to the IPF setting for use in our calculations than other industries that fall under medical records specialists, such as ''office of physicians'' or ''nursing care facilities (skilled nursing facilities).'' We calculated the cost of indirect costs, including fringe benefits, at 100 percent of the median hourly wage, consistent with previous years. This is necessarily a rough adjustment, both because fringe benefits and other indirect costs vary significantly by employer and methods of estimating these costs vary widely in the literature. Nonetheless, we believe that doubling the hourly wage rate ($27.69 × 2 = $55.38) to estimate total cost is a reasonably accurate estimation method. Accordingly, unless otherwise specified, we would calculate cost burden to IPFs using a wage plus benefits estimate of $55.38 per hour throughout the discussion in this section of this rule for the IPFQR Program.

Some of the activities previously finalized for the IPFQR Program require beneficiaries to undertake tasks such as responding to survey questions on their own time. In the FY 2025 IPF PPS final rule, we estimated the hourly wage rate for these activities to be $24.04/hr (89 FR 64664). We are updating that estimate to a post-tax wage of $25.63/hr. The Valuing Time in U.S. Department of Health and Human Services Regulatory Impact Analyses: Conceptual Framework and Best Practices identifies the approach for valuing time when individuals undertake activities on their own time.[32] For FY 2026 we propose to derive the costs for beneficiaries using the usual weekly earnings of wage and salary workers of $1,192, divided by 40 hours to calculate an hourly pre-tax wage rate of $29.80/hr.[33] We propose to adjust this rate downwards by an estimate of the effective tax rate for median income households of about 14 percent calculated by comparing pre- and post-tax income,[34] resulting in the post-tax hourly wage rate of $25.63/hr. Unlike our state and private sector wage adjustments, we are not adjusting beneficiary wages for fringe benefits and other indirect costs since the individuals' activities, if any, would occur outside the scope of their employment.

B. Information Collection Requirements for the Inpatient Psychiatric Facility Quality Reporting (IPFQR) Program

1. Previously Finalized IPFQR Program Estimates

For the purposes of calculating burden, we attribute the costs to the year in which the costs begin. Under our previously finalized policies, data submission for the measures that affect the FY 2028 payment determination occurs during CY 2027 and generally reflects care provided during CY 2026. Our currently approved burden for CY 2026 is set forth in Table 7.

TABLE 7—PREVIOUSLY FINALIZED IPFQR PROGRAM INFORMATION COLLECTION BURDEN FOR CY 2026

Measure/response description	Number respondents	Number of responses/ respondent	Total annual responses	Time per response (hrs)	Time per facility (hrs)	Total annual time (hrs)	Applicable wage rate ($/hr)	Cost per facility ($)	Total annual cost ($)
Hours of Physical Restraint Use	1,596	1,261	2,012,556	0.25	315	503,139	52.12	16,431	26,223,605
Hours of Seclusion Use	1,596	1,261	2,012,556	0.25	315	503,139	52.12	16,431	26,223,605
Follow-Up After Psychiatric Hospitalization	1,596	0	0	0	0	0	52.12	0	0
Alcohol Use Brief Intervention Provided or Offered and SUB–2a Alcohol Use Brief Intervention	1,596	609	971,964	0.25	152	242,991	52.12	7,935	12,664,691
Alcohol and Other Drug Use Disorder Treatment Provided or Offered at Discharge and SUB–3a Alcohol and Other Drug Use Disorder Treatment at Discharge	1,596	609	971,964	0.25	152	242,991	52.12	7,935	12,664,691
Tobacco Use Treatment Provided or Offered at Discharge and TOB–3a Tobacco Use Treatment at Discharge	1,596	609	971,964	0.25	152	242,991	52.12	7,935	12,664,691
Influenza Immunization	1,596	609	971,964	0.25	152	242,991	52.12	7,935	12,664,691

[31] *https://www.bls.gov/oes/current/oes292072.htm.*

[32] *https://aspe.hhs.gov/reports/valuing-time-us-department-health-human-services-regulatory-impact-analyses-conceptual-framework.*

[33] *https://www.bls.gov/news.release/pdf/wkyeng.pdf.* Accessed January 24, 2025.

[34] *https://www.census.gov/library/publications/2024/demo/p60-282.html.* Accessed January 24, 2025.

TABLE 7—PREVIOUSLY FINALIZED IPFQR PROGRAM INFORMATION COLLECTION BURDEN FOR CY 2026—Continued

Measure/response description	Number respondents	Number of responses/ respondent	Total annual responses	Time per response (hrs)	Time per facility (hrs)	Total annual time (hrs)	Applicable wage rate ($/hr)	Cost per facility ($)	Total annual cost ($)
Transition Record with Specified Elements Received by Discharged Patients (Discharges from an Inpatient Facility to Home/Self Care or Any Other Site of Care)	1,596	609	971,964	0.25	152	242,991	52.12	7,935	12,664,691
Screening for Metabolic Disorders	1,596	609	971,964	0.25	152	242,991	52.12	7,935	12,664,691
Thirty-Day All-Cause Unplanned Readmission Following Psychiatric Hospitalization in an Inpatient Psychiatric Facility	1,596	0	0	0	0	0	52.12	0	0
30-Day Risk-Standardized All-Cause Emergency Department Visit Following an Inpatient Psychiatric Facility Discharge measure	1,596	0	0	0	0	0	52.12	0	0
Medication Continuation Following Inpatient Psychiatric Discharge	1,596	0	0	0	0	0	52.12	0	0
Modified COVID–19 Healthcare Personnel (HCP) Vaccination Measure*	1,596	0	0	0	0	0	52.12	0	0
Facility Commitment to Health Equity*	1,596	1	1,596	0.167	0	267	52.12	9	13,892
Screening for Social Drivers of Health (Data Submission)*	798	1	798	0.167	0	133	52.12	9	6,946
Screen Positive Rate for Social Drivers of Health*	798	1	798	0.167	0	133	52.12	9	6,946
Non Measure Data Collection	1,596	4	6,384	0.5	2	3,192	52.12	104	166,367
Subtotal for Medical Records Specialists	*1,596*	*6,183*	*9,866,472*	*Varies*	*1,547*	*2,467,949*	*52.12*	*80,604*	*128,629,505*
Screening for Social Drivers of Health (Patient Screening)*	1,596	1,261	2,012,556	0.033	42	66,414	24.04	1,000	1,596,601
Psychiatric Inpatient Experience Survey	798	300	239,400	0.121	36	28,967	24.04	873	696,376
Subtotal for Individuals	*1,596*	*1,561*	*2,251,956*	*Varies*	*78*	*95,382*	*24.04*	*1,873*	*2,292,977*
Totals	1,596	7,744	12,118,428	Varies	1,624	2,563,331	N/A	82,477	130,922,482

*We note that we are removing these measures in this final rule.

2. Updates Due to More Recent Information

In section VI.A. of this final rule, we describe our updated wage rates which increase from $52.12/hr to $55.38/hr (an increase of $3.26/hr) for activities performed by Medical Records Specialists and from $24.04/hr to $25.63/hr (an increase of $1.59/hr) for activities performed by individuals. The effects of these updates are set forth in Table 8.

TABLE 8—EFFECTS OF WAGE RATE UPDATES

Measure/response description	Total annual responses	Time per response (hrs)	Time per facility (hrs)	Total annual time (hrs)	Change in applicable wage rate ($/hr)	Change in cost per facility ($)	Change in total annual cost ($)
Subtotal for Medical Records Specialists.	9,866,472	Varies	1,547	2,467,949	3.26	5,042	8,045,514
Subtotal for Individuals	2,251,956	Varies	78	95,382	1.59	124	151,657
Totals	12,118,428	Varies	1,624	2,563,331	Varies	5,165	8,197,171

3. Updates Due to Policies in This Final Rule

In section V.B. of this final rule, we are finalizing changes to begin use of the 30-Day Risk-Standardized All-Cause Emergency Department (ED) Visit Following an IPF Discharge measure (IPF ED Visit measure) in the IPFQR Program with the FY 2029 payment determination instead of the FY 2027 payment determination, and to modify the reporting period for the IPF ED Visit measure to a 2-year reporting period that runs from July 1st 4 years prior to the applicable fiscal year payment determination to June 30th 2 years prior to the applicable fiscal year payment determination. As discussed in the FY 2025 IPF PPS final rule, the IPF ED Visit measure is a claims-based measure and there is no additional burden outside of submitting a claim, the submission of which is approved under OMB control number 0938–0050 (89 FR 64667). This rule does not warrant any changes under that control number.

In section V.C. of this final rule, we are removing the Facility Commitment to Health Equity measure from the IPFQR Program beginning with the FY 2026 payment determination. This measure and the associated information collection burden was previously finalized in the FY 2024 IPF PPS final rule and is approved under OMB control number 0938–1171 (88 FR

51151). We estimate that this removal would result in a total annual burden decrease of 267 hours (0.167 hours × 1,596 IPFs) at a savings of $14,761 (267 hours × $55.38/hour). This estimate is summarized in Table 9.

In section V.D. of this final rule, we are removing the COVID–19 Vaccination Coverage Among Healthcare Personnel (HCP) measure from the IPFQR Program beginning with the FY 2026 payment determination. This measure and the associated information collection burden was previously finalized in the FY 2022 IPF PPS final rule and is approved under OMB control number 0920–1317 (86 FR 42668 and 42669). IPFs have the option to manually enter data directly into the Centers for Disease Control and Prevention (CDC) National Healthcare Safety Network (NHSN) web-based application or by uploading a CSV file. CDC estimates that each IPF requires between 40 minutes (0.67 hours) to upload a CSV file and 45 minutes (0.75 hours) monthly to enter the data manually. Therefore, we estimate that this removal will result in a decrease in burden of between 12,768 hours (0.67 hours × 12 months × 1,596 IPFs) and 14,364 hours (0.75 hours × 12 months × 1,596 IPFs) annually across all 1,596 IPFs. While there is no information collection burden associated with this measure under OMB control number 0938–0050, we have included the removal of this measure in Table 9 to be consistent with the measure's inclusion in Table 8.

In section V.E. of this final rule, we are removing the Screening for Social Drivers of Health and Screen Positive Rate for Social Drivers of Health measures from the IPFQR Program beginning with the FY 2026 payment determination. These measures and the associated information collection burden were previously finalized in the FY 2023 IPF PPS final rule and are approved under OMB control number 0938–1171 (88 FR 51150 through 51153). With regard to the Screening for Social Drivers of Health measure, there are two components: patient screening for five health-related social needs domains and IPF submission of aggregated IPF-level measure data. For the Screen Positive Rate for Social Drivers of Health measure, IPFs are required to report on an annual basis the number of patients who screen positive for one or more of the five Social Drivers of Health domains divided by the total number of patients screened (reported as five separate rates). With regard to patient screening, the currently approved burden estimate under OMB control number 0938–1171 for the FY 2026 payment determination and subsequent years is 66,414 hours annually for 2,012,556 patients (0.033 hours × 2,012,556 patients). With regard to measure reporting, due to data submission being voluntary for the FY 2026 payment determination, the currently approved burden estimate is 133 hours annually across 798 IPFs (0.167 hours × 798 IPFs) per measure. For mandatory data submission in the FY 2027 payment determination and subsequent years, the currently approved burden estimate is 267 hours annually across 1,596 IPFs (0.167 hours × 1,596 IPFs) per measure. Therefore, we estimate that this policy would result in a decrease in burden of 66,680 hours (66,414 + 133 + 133) annually across all 1,596 IPFs for the FY 2026 payment determination and 66,948 hours (66,414 + 267 + 267) annually across all 1,596 IPFs for the FY 2027 payment determination and subsequent years. These estimates are summarized in Tables 9 through 11.

In section V.F. of this final rule, we are finalizing changes to our codified ECE policy. Because the process for requesting or granting an ECE would remain the same as the current ECE process, these updates would not affect burden associated with the submission of the ECE form, which is accounted for under OMB control number 0938–1022 (expiration date April 30, 2027).

In total, for CY 2026 we estimate a decrease in burden of 66,947 hours (267 + 66,414 + 133 + 133) at a savings of $1,731,712 ($14,761 + $1,702,191 + $7,380 + $7,380). We estimate that beginning with CY 2027 the savings will increase to a total reduction in burden of 67,215 (267 + 66,414 + 267 + 267) hours at a savings of $1,746,474 ($14,761 + $1,702,191 + $14,761 + $14,761) associated with these policies.

TABLE 9—TOTAL CY 2026 FACILITY INFORMATION COLLECTION BURDEN CHANGES

Measure/response description	Number respondents	Number of responses/ respondent	Total annual responses	Time per response (hrs)	Time per facility (hrs)	Total annual time (hrs)	Total annual cost ($)
Facility Commitment to Health Equity	1,596	1	(1,596)	0.167	(0.167)	(267)	(14,761)
Modified COVID–19 Healthcare Personnel (HCP) Vaccination Measure	1,596	0	0	0	0	0	0
Screening for Social Drivers of Health (Data Submission)	798	1	(798)	0.167	(0.167)	(133)	(7,380)
Screen Positive Rate for Social Drivers of Health	798	1	(798)	0.167	(0.167)	(133)	(7,380)
Total	1,596	1	(3,192)	0.167	(0.5)	(533)	(29,521)

TABLE 10—TOTAL CY 2026 PATIENT SURVEY INFORMATION COLLECTION BURDEN CHANGES

Measure/response description	Number respondents	Number of responses/ respondent	Total annual responses	Time per response (hrs)	Time per facility (hrs)	Total annual time (hrs)	Total annual cost ($)
Screening for Social Drivers of Health (Patient Screening)	1,596	1,261	(2,012,556)	0.033	(41.6)	(66,414)	(1,702,191)
Total	1,596	1,261	(2,012,556)	0.033	(41.6)	(66,414)	(1,702,191)

TABLE 11—TOTAL CY 2027 FACILITY INFORMATION COLLECTION BURDEN CHANGES

Measure/response description	Number respondents	Number of responses/ respondent	Total annual responses	Time per response (hrs)	Time per facility (hrs)	Total annual time (hrs)	Total annual cost ($)
Screening for Social Drivers of Health (Data Submission)	798	1	(798)	0.167	(0.167)	(133)	(7,380)
Screen Positive Rate for Social Drivers of Health	798	1	(798)	0.167	(0.167)	(133)	(7,380)
Total	798	1	(1,596)	0.167	(0.33)	(267)	(14,761)

We invited public comments on the proposed removal of the SDOH information collection requirements and whether our estimated burden reduction of 0.033 hours per patient and an annual decrease of 0.167 hours in burden per IPF for each measure is an accurate estimate.

Comments: We received no comments.

C. Submission of PRA-Related Comments

We have submitted a copy of the information collection requirements related to this rule to OMB for their review. The requirements are not effective until they have been approved by OMB.

To obtain copies of the supporting statement and any related forms for the collections discussed previously, please visit the CMS website at *https://www.cms.gov/regulationsand-guidance/legislation/paperworkreduction actof1995/pralisting,* or call the Reports Clearance Office at 410–786–1326.

VII. Regulatory Impact Analysis

A. Statement of Need

This rule finalizes updates to the prospective payment rates for Medicare inpatient hospital services provided by IPFs for discharges occurring during FY 2026 (October 1, 2025, through September 30, 2026). We are finalizing our proposal to apply the 2021-based IPF market basket increase for FY 2026 of 3.2 percent, reduced by the productivity adjustment of 0.7 percentage point as required by section 1886(s)(2)(A)(i) of the Act for a total FY 2026 payment rate update of 2.5 percent. In this final rule, we are finalizing our proposal to update the outlier fixed dollar loss threshold amount, update the IPF labor-related share and update the IPF wage index to reflect the FY 2026 hospital inpatient wage index. Section 1886(s)(4) of the Act requires IPFs to report data in accordance with the requirements of the IPFQR Program for purposes of measuring and making publicly available information on health care quality; and links the quality data submission to the annual applicable percentage increase.

B. Overall Impact

We have examined the impacts of this rule as required by Executive Order 12866, ''Regulatory Planning and Review''; Executive Order 13132, ''Federalism''; Executive Order 13563, ''Improving Regulation and Regulatory Review''; Executive Order 14192, ''Unleashing Prosperity Through Deregulation''; the Regulatory Flexibility Act (RFA) (Pub. L. 96–354); section 1102(b) of the Social Security Act; and section 202 of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4); and the Congressional Review Act (5 U.S.C. 801–808).

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select those regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity). Section 3(f) of Executive Order 12866 defines a ''significant regulatory action'' as any regulatory action that is likely to result in a rule that may: (1) have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; (2) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, or the President's priorities.

A regulatory impact analysis (RIA) must be prepared for a regulatory action that is significant under section 3(f)(1) of E.O. 12866. We estimate that the total impact of these changes for FY 2026 payments compared to FY 2025 payments will be an increase of approximately $70 million. This reflects a $70 million increase from the update to the payment rates (+$90 million from the 2021-based IPF market basket increase of 3.2 percent, and −$20 million for the productivity adjustment of 0.7 percentage point). Outlier payments are estimated to change from 2.1 percent in FY 2025 to 2.0 percent of total estimated IPF payments in FY 2026. While it does not affect the overall impact, we estimate this change in outlier payments will reduce total IPF PPS payments by approximately $3 million.

Based on our estimates, OMB's Office of Information and Regulatory Affairs has determined that this rulemaking is ''significant,'' though not significant under section 3(f)(1) of Executive Order 12866. Nevertheless, because of the potentially substantial impact to IPF providers, we have prepared an RIA that to the best of our ability presents the costs and benefits of the rulemaking. OMB has reviewed these final regulations, and the Departments have provided the following assessment of their impact.

C. Detailed Economic Analysis

In this section, we discussed the historical background of the IPF PPS and the impact of the final rule on the Federal Medicare budget and on IPFs.

1. Budgetary Impact

As discussed in the RY 2005 and RY 2007 IPF PPS final rules, we applied a budget neutrality factor to the Federal per diem base rate and ECT payment per treatment to ensure that total estimated payments under the IPF PPS in the implementation period would equal the amount that would have been paid if the IPF PPS had not been implemented. This budget neutrality factor included the following components: outlier adjustment, stop loss adjustment, and the behavioral offset. As discussed in the RY 2009 IPF PPS notice (73 FR 25711), the stop-loss adjustment is no longer applicable under the IPF PPS.

As discussed in section IV.D.4.c. of this final rule, we are updating the wage index and labor-related share in a budget neutral manner by applying a wage index budget neutrality factor to

the Federal per diem base rate and ECT payment per treatment. In addition, as discussed in section IV.D.9. of this final rule, we are applying a refinement standardization factor to the Federal per diem base rate and ECT payment per treatment to account for the revisions to the adjustment factors for teaching status and for IPFs located in rural areas (as previously discussed in sections IV.D.5 and IV.D.6 of this final rule, and summarized in Addendum A), which must be made budget-neutrally. Therefore, the budgetary impact to the Medicare program of this final rule will be due to the final market basket increase for FY 2026 of 3.2 percent (see section IV.A.2 of this final rule) reduced by the productivity adjustment of 0.7 percentage point required by section 1886(s)(2)(A)(i) of the Act and the update to the outlier fixed dollar loss threshold amount.

We estimate that the impact of the FY 2026 IPF PPS final rule will be a net increase of $70 million in payments to IPF providers. This reflects an estimated $70 million increase from the update to the payment rates and the $3 million decrease as a result of the update to the outlier threshold amount as noted earlier. This estimate does not include the implementation of the required 2.0 percentage point reduction of the market basket update factor for any IPF that fails to meet the IPF quality reporting requirements (as discussed in section IV.B.3. of this final rule).

2. Impact on Providers

To show the impact on providers of the changes to the IPF PPS discussed in this final rule, we compared estimated payments under the IPF PPS rates and factors for FY 2026 versus those under FY 2025. We determined the percent change in the estimated FY 2026 IPF PPS payments compared to the estimated FY 2025 IPF PPS payments for each category of IPFs. In addition, for each category of IPFs, we have included the estimated percent change in payments resulting from the update to the outlier fixed dollar loss threshold amount; the revisions to the facility-level adjustment factors; the updated wage index data and labor-related share; and the market basket increase for FY 2026, as reduced by the productivity adjustment according to section 1886(s)(2)(A)(i) of the Act.

To illustrate the impacts of the changes to the IPF PPS discussed in this final rule, our analysis begins with FY 2024 IPF PPS claims (based on the 2024 MedPAR claims, March 2025 update). We estimated FY 2025 IPF PPS payments using these 2024 claims, the finalized FY 2025 IPF PPS Federal per diem base rate and ECT per treatment amount, and the finalized FY 2025 IPF PPS patient- and facility-level adjustment factors (as published in the FY 2025 IPF PPS final rule (89 FR 64582)). We then estimated the FY 2025 outlier payments based on these simulated FY 2025 IPF PPS payments using the same methodology as finalized in the FY 2025 IPF PPS final rule (89 FR 64636 and 64637) where total outlier payments are maintained at 2 percent of total estimated FY 2025 IPF PPS payments.

Each of the following changes is added incrementally to this baseline model in order to isolate the effects of each change:

- The update to the outlier fixed dollar loss threshold amount.
- The revisions to facility-level adjustment factors for teaching status and for IPFs located in rural areas.
- The FY 2026 IPF wage index and the FY 2026 labor-related share.
- The IPF market basket increase for FY 2026 of 3.2 percent reduced by the productivity adjustment of 0.7 percentage point in accordance with section 1886(s)(2)(A)(i) of the Act for a FY 2026 payment rate update of 2.5 percent.

Our column comparison in Table 12 illustrates the percent change in payments from FY 2025 (that is, October 1, 2024, to September 30, 2025) to FY 2026 (that is, October 1, 2025, to September 30, 2026) including all the final payment policy changes.

TABLE 12—FY 2026 IPF PPS PAYMENT IMPACTS

Facility by Type	Number of Facilities	Outlier	Refinement of Facility-Level Adjustments	Wage Index FY26, Labor Related Share, and 5% Cap	Total Percent Change [1]
(1)	(2)	(3)	(4)	(5)	(6)
All Facilities	1,387	−0.1	0.0	0.0	2.4
Total Urban	1,147	−0.1	0.0	0.1	2.5
Urban unit	628	−0.1	0.4	0.1	2.9
Urban hospital	519	0.0	−0.5	0.0	1.9
Total Rural	240	0.0	0.2	−0.4	2.3
Rural unit	178	0.0	0.2	−0.4	2.2
Rural hospital	62	0.0	0.2	−0.3	2.3
By Type of Ownership:					
Freestanding IPFs:					
Urban Psychiatric Hospitals:					
Government	112	−0.1	0.7	0.4	3.5
Non-Profit	97	0.0	−0.3	−0.1	2.1
For-Profit	310	0.0	−0.7	−0.1	1.6
Rural Psychiatric Hospitals:					
Government	28	0.0	0.2	0.3	2.9
Non-Profit	13	−0.1	0.3	−0.6	2.0
For-Profit	21	0.0	0.1	−0.5	2.1
IPF Units:					
Urban:					
Government	91	−0.2	1.4	−0.1	3.7
Non-Profit	419	−0.1	0.3	0.3	3.0
For-Profit	118	0.0	−0.4	−0.1	2.0
Rural:					
Government	41	0.0	0.2	−0.5	2.1
Non-Profit	99	0.0	0.2	−0.1	2.6
For-Profit	38	0.0	0.1	−0.9	1.7

TABLE 12—FY 2026 IPF PPS PAYMENT IMPACTS—Continued

Facility by Type	Number of Facilities	Outlier	Refinement of Facility-Level Adjustments	Wage Index FY26, Labor Related Share, and 5% Cap	Total Percent Change [1]
(1)	(2)	(3)	(4)	(5)	(6)
By Teaching Status:					
Non-teaching	1,178	0.0	−0.6	0.0	1.9
Less than 10% interns and residents to beds	103	−0.1	0.5	−0.1	2.9
10% to 30% interns and residents to beds	79	−0.1	3.0	0.2	5.7
More than 30% interns and residents to beds	27	−0.2	10.4	−0.6	12.3
By Region:					
New England	94	−0.1	0.1	1.2	3.8
Mid-Atlantic	195	−0.1	0.3	−0.2	2.5
South Atlantic	222	0.0	0.4	0.1	2.9
East North Central	218	0.0	−0.2	0.4	2.6
East South Central	136	0.0	−0.2	0.2	2.4
West North Central	88	−0.1	0.0	1.0	3.4
West South Central	214	0.0	−0.2	−0.8	1.5
Mountain	95	0.0	−0.3	0.3	2.4
Pacific	125	−0.1	−0.2	−0.9	1.3
By Bed Size:					
Psychiatric Hospitals:					
Beds: 0–24	91	0.0	−0.4	−0.2	1.9
Beds: 25–49	88	0.0	−0.7	0.3	2.1
Beds: 50–75	94	0.0	−0.4	0.0	2.1
Beds: 76 +	308	0.0	−0.4	−0.2	1.9
Psychiatric Units:					
Beds: 0–24	402	0.0	−0.1	0.0	2.3
Beds: 25–49	231	−0.1	0.6	0.1	3.2
Beds: 50–75	100	−0.1	0.6	0.2	3.2
Beds: 76 +	73	−0.1	0.7	0.0	3.1

[1] This column includes the impact of the updates in columns (3) through (5) above, and of the final IPF market basket update factor for FY 2026 (3.2 percent), reduced by 0.7 percentage point for the productivity adjustment as required by section 1886(s)(2)(A)(i) of the Act.

3. Impact Results

Table 12 displays the results of our analysis. The table groups IPFs into the categories listed here based on characteristics provided in the Provider of Services file, the IPF PSF, and cost report data from the Healthcare Cost Report Information System:

- Facility Type.
- Location.
- Teaching Status Adjustment.
- Census Region.
- Size.

The top row of the table shows the overall impact on the 1,387 IPFs included in the analysis. In column 2, we present the number of facilities of each type that had information available in the PSF and had claims in the MedPAR dataset for FY 2024.

In column 3, we present the effects of the update to the outlier fixed dollar loss threshold amount. We estimate that IPF outlier payments as a percentage of total IPF payments are 2.1 percent in FY 2025. Therefore, we adjusted the outlier threshold amount to maintain total estimated outlier payments equal to 2.0 percent of total payments in FY 2026. The estimated change in total IPF payments for FY 2026, therefore, includes an approximate 0.1 percent decrease in payments because we would expect the outlier portion of total payments to decrease from approximately 2.1 percent to 2.0 percent.

The overall impact of the estimated decrease to payments due to updating the outlier fixed dollar loss threshold (as shown in column 3 of Table 12), across all hospital groups, is a 0.1 percent decrease. The largest decrease in payments due to this change is estimated to be 0.2 percent for urban government-owned IPF units.

In column 4, we present the effects of the final revisions to the facility-level adjustment factors and the application of the refinement standardization factor that is discussed in section IV.D.9 of this final rule. We estimate the largest payment increase of 10.4 percent will be for teaching IPFs with more than 30 percent interns and residents to beds. Conversely, we estimate that urban for-profit hospitals will experience the largest payment decrease of 0.7 percent. Payments to IPF units in urban areas will increase by 0.4 percent, and payments to IPF units in rural areas will increase by 0.2 percent.

In column 5, we present the effects of the budget-neutral update to the IPF wage index and the labor-related share. In addition, this column includes the application of the 5-percent cap on any decrease to a provider's wage index from its wage index in the prior year as finalized in the FY 2023 IPF PPS final rule (87 FR 46856 through 46859). The change in this column represents the effect of using the concurrent hospital wage data as discussed in section IV.D.4.c. of this final rule. That is, the impact represented in this column reflects the final update from the FY 2025 IPF wage index to the final FY 2026 IPF wage index, which includes basing the FY 2026 IPF wage index on the FY 2026 pre-floor, pre-reclassified IPPS hospital wage index data, applying a 5-percent cap on any decrease to a provider's wage index from its wage index in the prior year, and updating the labor-related share from 78.8 percent in FY 2025 to 79.0 percent in FY 2026. We note that there is no projected change in aggregate payments to IPFs, as indicated in the first row of column 5; however, there will be distributional effects among different categories of IPFs. For example, we estimate the largest increase in payments to be 1.2 percent for IPFs in New England, and the largest decrease in payments to be 0.9 percent for IPFs in the Pacific region and rural for-profit IPF units.

Overall, IPFs are estimated to experience a net increase in payments of 2.4 percent as a result of the updates in this final rule. IPF payments are therefore estimated to increase by 2.5 percent in urban areas and 2.3 percent in rural areas. The largest payment increase is estimated at 12.3 percent for IPFs with more than 30 percent interns and residents to beds.

4. Effect on Beneficiaries

Under the FY 2026 IPF PPS, IPFs will continue to receive payment based on the average resources consumed by patients for each day. Our longstanding payment methodology reflects the differences in patient resource use and costs among IPFs, as required under section 124 of the BBRA. We expect that updating IPF PPS rates in this rule will improve or maintain beneficiary access to high- quality care by ensuring that payment rates reflect the best available data on the resources involved in inpatient psychiatric care and the costs of these resources. We continue to expect that paying prospectively for IPF services under the FY 2026 IPF PPS will enhance the efficiency of the Medicare program.

5. Effects of the Updates to the IPFQR Program

In section V.B. of this final rule, we finalize changes to begin use of the IPF ED Visit measure in the IPFQR Program with the FY 2029 payment determination instead of the FY 2027 payment determination, and to modify the reporting period for the IPF ED Visit measure to a 2-year reporting period that runs from July 1st 4 years prior to the applicable fiscal year payment determination to June 30th 2 years prior to the applicable fiscal year payment determination. While the modification may allow providers additional time to incorporate changes to IPF workflows and clinical processes to improve care coordination and discharge planning, we do not expect any additional effects beyond those discussed in the FY 2025 IPF PPS final rule (89 FR 64672).

In section V.C. of this final rule, we finalize the removal of the Facility Commitment to Health Equity measure beginning with the FY 2026 payment determination. Because this measure requires IPFs to attest yes or no if they have in place certain structures or processes of care, we do not expect the removal of this measure to impact providers beyond reduction in information collection costs.

In section V.D. of this final rule, we finalize the removal of the COVID–19 Vaccination Coverage Among HCP measure beginning with the FY 2026 payment determination. Because this measure requires IPFs to track current vaccination status for all employees, licensed independent practitioners, adult students/trainers and volunteers, and other contract personnel and report the data monthly to NHSN, we expect the removal of this measure to reduce information collection burden on providers.

In section V.E. of this final rule, we finalize the removal of the Screening for Social Drivers of Health and Screen Positive Rate for Social Drivers of Health measures from the IPFQR Program beginning with the FY 2026 payment determination. Because these measures require IPFs to screen patients for five health-related social needs domains and submit aggregated IPF-level measure data, we expect the removal of these measures to reduce information collection burden on providers and patients.

In section V.G. of this final rule, we finalize updates to our ECE policy. Because the process for requesting or granting an ECE will remain the same as the current ECE process, we do not expect these updates to impact providers.

In accordance with section 1886(s)(4)(A) of the Act, we will apply a 2-percentage point reduction to the FY 2026 market basket update for IPFs that have failed to comply with the IPFQR Program requirements for the FY 2026 payment determination, including reporting on the mandatory measures. For the FY 2025 payment determination, of the 1,514 IPFs eligible for the IPFQR Program, 126 IPFs did not receive the full IPF market basket update because of the IPFQR Program; 40 of these IPFs chose not to participate and 86 did not meet the requirements of the program. We intend to closely monitor the effects of the IPFQR Program on IPFs and help facilitate successful reporting outcomes through ongoing education, national trainings, and a technical help desk.

6. Regulatory Review Costs

If regulations impose administrative costs on private entities, such as the time needed to read and interpret the proposed rule, we should estimate the cost associated with the regulatory review. Due to the uncertainty involved with accurately quantifying the number of entities that will review the rule, we assume that the total number of unique commenters on the most recent IPF PPS proposed rule will be the number of reviewers of this final rule. For this FY 2026 IPF PPS final rule, the most recent IPF proposed rule was the FY 2026 IPF PPS proposed rule, and we received 55 unique comments on the proposed rule. We acknowledge that this assumption may understate or overstate the costs of reviewing this rule. It is possible that not all commenters reviewed the FY 2026 IPF proposed rule in detail, and it is also possible that some reviewers chose not to comment on the proposed rule. For these reasons we thought that the number of commenters would be a fair estimate of the number of reviewers of this rule. We welcomed any public comments on the approach in estimating the number of entities that would review the proposed rule. We did not receive any public comments specific to our solicitation.

We also recognize that different types of entities are in many cases affected by mutually exclusive sections of this final rule, and therefore for the purposes of our estimate, we assume that each reviewer reads approximately 50 percent of the rule. We sought public comments on this assumption. We did not receive any public comments specific to our solicitation.

Using the May, 2024 mean (average) wage information from the Bureau of Labor Statistics (BLS) for medical and health service managers (Code 11–9111), we estimate that the cost of reviewing this rule is $132.44 per hour, including overhead and fringe benefits (*https://www.bls.gov/oes/current/oes_nat.htm*). Assuming an average reading speed of 250 words per minute, we estimate that it would take approximately 1.67 hours for the staff to review half of this final rule which contains a total of approximately 50,000 words. For each entity that reviews the rule, the estimated cost is $221.17 (1.67 hours × $132.44). Therefore, we estimate that the total cost of reviewing this regulation is $12,164.35 ($221.17 × 55).

D. Alternatives Considered

The statute gives the Secretary discretion in establishing an update methodology to the IPF PPS. We continued to believe it is appropriate to routinely update the IPF PPS so that it reflects the best available data about differences in patient resource use and costs among IPFs, as required by the statute. Therefore, we proposed and are finalizing updates to the IPF PPS using the methodology published in the RY 2005 IPF PPS final rule (our ''standard methodology''), pre-floor, pre-reclassified IPPS hospital wage index as its basis. Additionally, we apply a 5-percent cap on any decrease to a provider's wage index from its wage index in the prior year. In addition, we are finalizing our proposal to revise the facility-level adjustment factors for teaching status and for IPFs located in

rural areas. We also considered, but did not propose, maintaining the existing adjustment factors for teaching status and for IPFs located in rural areas. However, for the reasons discussed earlier in this final rule, we believe it would be more appropriate to update these adjustment factors based on the results of our latest available analysis.

Lastly, as discussed in section IV.D.7. of this final rule, we are finalizing our proposal to maintain the existing COLA factors for IPFs located in Alaska and Hawaii. We considered, but did not propose, updating the COLA factors for IPFs based on the results of our existing methodology. However, as discussed earlier in this final rule, in order to maintain consistency in payments for IPFs and other hospitals located in Alaska and Hawaii, for FY 2026 we are maintaining the existing COLA factors that are applicable for FY 2025.

E. Accounting Statement

Consistent with OMB Circular A–4 (available at *https://trumpwhitehouse.archives.gov/sites/whitehouse.gov/files/omb/circulars/A4/a-4.pdf*), in Table 13, we have prepared an accounting statement showing the classification of the expenditures associated with the updates to the IPF wage index and payment rates in this final rule. Table 13 provides our best estimate of the increase in Medicare payments under the IPF PPS as a result of the changes presented in this final rule and is based on 1,387 IPFs that had data available in the PSF and claims in our FY 2024 MedPAR claims dataset. Lastly, Table 13 also includes our best estimate of the costs of reviewing and understanding this final rule.

TABLE 13—ACCOUNTING STATEMENT: CLASSIFICATION OF ESTMATED COSTS, SAVINGS, AND TRANSFERS

Category	Primary estimate ($million/year)	Year dollars	Period covered
Regulatory Review Costs	0.012164	2025	FY 2026
Annualized Monetized Transfers from Federal Government to IPF Medicare Providers	70	2025	FY 2026

F. Regulatory Flexibility Act (RFA)

The RFA requires agencies to analyze options for regulatory relief of small entities if a rule has a significant impact on a substantial number of small entities. For purposes of the RFA, small entities include small businesses, nonprofit organizations, and small governmental jurisdictions. The great majority of hospitals and most other health care providers and suppliers are small entities, either by being nonprofit organizations or by meeting the Small Business Administration (SBA) definition of a small business (having revenues of less than $47 million in any 1 year as of 2023 [35]).

According to the SBA's website at *http://www.sba.gov/content/small-business-size-standards,* IPFs fall into the North American Industrial Classification System (NAICS) code 622210, Psychiatric and Substance Abuse hospitals. The SBA defines small Psychiatric and Substance Abuse hospitals as businesses having less than $47 million in total annual revenue.

As discussed earlier in this final rule, the only costs imposed by this final rule are the regulatory review costs, which we estimate at $221.17 per IPF. However, as discussed in section VI.B.3. of this final rule, the removal of the Facility Commitment to Health Equity, Screening for Social Drivers of Health, and Screen Positive Rate for Social Drivers of Health measures from the IPFQR Program result in an estimated decrease in cost of $1,094 per IPF. As a result, there are negative costs (that is, savings) of $872.83 per IPF imposed as a result of this final rule.

TABLE 14—NAICS 622210 PSYCHIATRIC AND SUBSTANCE ABUSE HOSPITALS SIZE STANDARDS

NAICS (6-digit)	Industry subsector description	SBA size standard/small entity threshold	Total small businesses
622210	Psychiatric and Substance Abuse Hospitals	$47 Million	200

Source: US Census 2022 SUSB.

TABLE 15—CONCENTRATION RATIOS (NAICS 622210) PSYCHIATRIC AND SUBSTANCE ABUSE HOSPITALS

Firm size (by receipts)	Firm count	% of small firms	Average revenue
Small Hospitals:	200	100.0	$ 20,771,755.00
<100,000	4	2.0	20,000
100,000–499,999	6	3.0	225,667
1,000,000–2,499,999	5	2.5	1,890,000
2,500,000–4,999,999	10	5.0	3,622,800
5,000,000–7,499,999	6	3.0	5,485,333
7,500,000–9,999,999	20	10.0	8,288,050
10,000,000–14,999,999	12	6.0	11,324,833
15,000,000–19,999,999	24	12.0	15,943,667
20,000,000–24,999,999	22	11.0	20,138,000
25,000,000–29,999,999	18	9.0	23,777,278
30,000,000–34,999,999	19	9.5	28,946,895
35,000,000–39,999,999	21	10.5	30,214,762
40,000,000–49,999,999	33	16.5	40,439,152

[35] *https://www.naics.com/wp-content/uploads/2017/10/SBA_Size_Standards_Table.pdf.*

TABLE 15—CONCENTRATION RATIOS (NAICS 622210) PSYCHIATRIC AND SUBSTANCE ABUSE HOSPITALS—Continued

Firm size (by receipts)	Firm count	% of small firms	Average revenue
Large Hospitals: Receipts > 49 million	218	NA	296,853,795.10

Source: US Census 2022 SUSB.

TABLE 16—(NAICS 622210) PSYCHIATRIC AND SUBSTANCE ABUSE HOSPITALS IMPACTS ON SMALL ENTITES

Firm size (by receipts)	Avg. annual revenue	Annualized cost per firm	% of small firms	Revenue test (%)
All Hospitals	$317,625,550.10	$ (873)	N/A	0.00
Small Hospitals	20,771,755.00	(873)	100	0.00
<100,000	20,000	(873)	2.0	4.37
100,000–499,999	225,667	(873)	3.0	0.39
1,000,000–2,499,999	1,890,000	(873)	2.5	0.05
2,500,000–4,999,999	3,622,800	(873)	5.0	0.02
5,000,000–7,499,999	5,485,333	(873)	3.0	0.02
7,500,000–9,999,999	8,288,050	(873)	10.0	0.01
10,000,000–14,999,999	11,324,833	(873)	6.0	0.01
15,000,000–19,999,999	15,943,667	(873)	12.0	0.01
20,000,000–24,999,999	20,138,000	(873)	11.0	0.00
25,000,000–29,999,999	23,777,278	(873)	9.0	0.00
30,000,000–34,999,999	28,946,895	(873)	9.5	0.00
35,000,000–39,999,999	30,214,762	(873)	10.5	0.00
40,000,000–49,999,999	40,439,152	(873)	16.5	0.00

Source: US Census 2022 SUSB.

According to Table 15, 200 psychiatric and substance abuse hospitals can be considered small according to the SBA. As we stated earlier, the SBA defines small Psychiatric and Substance Abuse hospitals as businesses having less than $47 million in total annual revenue. We note that Tables 15 and 16 show revenue up to $49.9 million since the data does not provide the exact estimate for $47 million. Table 15 shows that there are 218 Psychiatric and Substance Abuse hospitals that earn revenue in excess of $49 million.

As its measure of significant economic impact on a substantial number of small entities, HHS uses a change in revenue of more than 3 to 5 percent. For the purposes of the RFA, as can be seen in Table 15, we estimate that average revenue for the small Psychiatric and Substance Abuse hospitals is only 0.065 percent ($20,771,755.00/$317,625,550.10) of the average revenue earned in the industry. Furthermore, according to the IPF database with 1,387 small Psychiatric and Substance Abuse hospitals, and for the purposes of the RFA, we estimate that approximately 0.14 percent (200/1,387) of small Psychiatric and Substance Abuse hospitals are small entities as that term is used in the RFA. As shown in Table 16, 100 percent of these small Psychiatric and Substance Abuse hospitals will reduce costs as opposed to incurring any costs that will have an impact on their revenue. That is, there will be no revenue impact on this industry.

According to Table 16, this final rule will have a 0.00 percent impact on small Psychiatric and Substance Abuse hospitals. As such, we believe that the threshold for significant economic impact on a substantial number of small entities will not be reached by the requirements in this final rule. Therefore, the Secretary has certified that this final rule will *not have a significant* economic impact on the small entities.

In addition, section 1102(b) of the Act requires us to prepare a regulatory impact analysis if a rule may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 604 of the RFA. For the purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside of a metropolitan statistical area and has fewer than 100 beds.

As discussed in section VII.C.2. of this final rule, the rates and policies set forth in this final rule will not have an adverse impact on the rural hospitals based on the data of the 178 rural excluded psychiatric units and 62 rural psychiatric hospitals in our database of 1,387 IPFs for which data were available. Therefore, the Secretary has determined that this final rule will not have a significant impact on the operations of a substantial number of small rural hospitals.

G. Unfunded Mandate Reform Act (UMRA)

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) also requires that agencies assess anticipated costs and benefits before issuing any rule whose mandates require spending in any 1 year of $100 million in 1995 dollars, updated annually for inflation. In 2025, that threshold is approximately $187 million. This final rule does not mandate any requirements for State, local, or tribal governments, or for the private sector. This final rule will not impose a mandate that will result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of more than $187 million in any 1 year.

H. Federalism

Executive Order 13132 establishes certain requirements that an agency must meet when it promulgates a proposed rule (and subsequent final rule) that imposes substantial direct requirement costs on State and local governments, preempts State law, or otherwise has Federalism implications. This final rule does not impose substantial direct costs on state or local governments or preempt State law.

I. E.O. 14192, ''*Unleashing Prosperity Through Deregulation*''

Executive Order 14192, entitled ''Unleashing Prosperity Through Deregulation'' was issued on January 31, 2025, and requires that ''any new incremental costs associated with new regulations shall, to the extent permitted by law, be offset by the elimination of existing costs associated with at least 10 prior regulations.'' This final rule is considered an E.O. 14192 deregulatory action. We estimate that this rule will generate $24 million in annualized cost savings at a 7 percent discount rate, discounted relative to year 2024, over a perpetual time horizon.

This final regulation is subject to the Congressional Review Act provisions of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 801 *et seq.*) and has been transmitted to the Congress and the Comptroller General for review.

Mehmet Oz, Administrator of the Centers for Medicare & Medicaid Services, approved this document on July, 21, 2025.

List of Subjects in 42 CFR Part 412

Administrative practice and procedure, Health facilities, Medicare, Puerto Rico, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, the Centers for Medicare & Medicaid Services amends 42 CFR part 412 as set forth below:

PART 412—PROSPECTIVE PAYMENT SYSTEMS FOR INPATIENT HOSPITAL SERVICES

■ 1. The authority citation for part 412 continues to read as follows:

Authority: 42 U.S.C. 1302 and 1395hh.

■ 2. Section 412.433 is amended by revising paragraph (f) to read as follows:

§ 412.433 Procedural requirements under the IPFQR Program.

* * * * *

(f) *Extraordinary Circumstance Exception (ECE)*—(1) *General rule.* CMS may grant an extraordinary circumstance exception (ECE) with respect to the reporting requirements under this section in the event of extraordinary circumstances beyond the control of the IPF. For purposes of this paragraph (f), an extraordinary circumstance is an event beyond the control of an IPF (for example, a natural or man-made disaster such as a hurricane, tornado, earthquake, terrorist attack, or bombing) that affected the ability of the IPF to comply with one or more applicable reporting requirements with respect to a fiscal year.

(2) *Process for requesting an ECE.* (i) An IPF may request an ECE within 60 calendar days of the date that the extraordinary circumstance occurred by submitting the information specified by CMS at *QualityNet* or a successor website.

(ii) CMS notifies the IPF of its decision on the request, in writing, via email. In the event that CMS grants an ECE to the IPF, the written decision will specify whether the IPF is exempted from one or more reporting requirements or whether CMS has granted the IPF an extension of time to comply with one or more reporting requirements.

(3) *Authority to grant an ECE.* CMS may grant an ECE to one or more IPFs that have not requested an ECE if CMS determines that—

(i) A systemic problem with a CMS data collection system directly impacted the ability of the IPF to comply with a quality data reporting requirement, or

(ii) An extraordinary circumstance has affected an entire region or locale. Any ECE granted under this paragraph (f)(3) will specify whether the affected IPFs are exempted from one or more reporting requirements or whether CMS has granted the IPF an extension of time to comply with one or more reporting requirements.

* * * * *

Robert F. Kennedy, Jr.,

Secretary, Department of Health and Human Services.

[FR Doc. 2025–14781 Filed 8–1–25; 4:15 pm]

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Part III

Department of Health and Human Services

Centers for Medicare & Medicaid Services

42 CFR 412

Medicare Program; Inpatient Rehabilitation Facility Prospective Payment System for Federal Fiscal Year 2026 and Updates to the IRF Quality Reporting Program; Final Rule

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Part 412

[CMS–1829–F]

RIN 0938–AV48

Medicare Program; Inpatient Rehabilitation Facility Prospective Payment System for Federal Fiscal Year 2026 and Updates to the IRF Quality Reporting Program

AGENCY: Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services (HHS).

ACTION: Final rule.

SUMMARY: This final rule updates the prospective payment rates for inpatient rehabilitation facilities (IRFs) for Federal fiscal year (FY) 2026. As required by statute, this final rule includes the classification and weighting factors for the IRF prospective payment system's case-mix groups and a description of the methodologies and data used in computing the prospective payment rates for FY 2026. It also continues the second year of the 3-year phaseout of the rural adjustment, which began in FY 2025. Additionally, the final rule includes updates to the IRF Quality Reporting Program.

DATES: These regulations are effective on October 1, 2025.

FOR FURTHER INFORMATION CONTACT:

IRFcoverage@cms.hhs.gov, for general information.

Kimberly Schwartz, (410) 786–2571, for information about the IRF payment policies, payment rates and coverage policies.

Ariel Cress, (410) 786–8571, for information about the IRF quality reporting program.

Availability of Certain Information Through the Internet on the CMS Website

The IRF prospective payment system (IRF PPS) Addenda along with other supporting documents and tables referenced in this final rule are available on the CMS website at *https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientRehabFacPPS.*

We note that prior to 2020, each rule or notice issued under the IRF PPS included a detailed reiteration of the various regulatory provisions that have affected the IRF PPS over the years. That discussion, which has been updated to reflect subsequent years, along with detailed background information for various other aspects of the IRF PPS, is now available on the CMS website at *https://www.cms.gov/files/document/irf-regulatory-and-legislative-history.pdf.*

Readers who experience any problems accessing any of these online IRF PPS documents should contact *Patricia.Taft@cms.hhs.gov.*

SUPPLEMENTARY INFORMATION:

I. Executive Summary

A. Purpose

This final rule updates the prospective payment rates for inpatient rehabilitation facilities (IRFs) for Fiscal Year (FY) 2026 (that is, for discharges occurring on or after October 1, 2025, and on or before September 30, 2026) under section 1886(j)(3)(C) of the Social Security Act (the Act). As required by section 1886(j)(5) of the Act, this final rule includes the classification and weighting factors for the IRF prospective payment system (PPS) case-mix groups (CMGs), and a description of the methodologies and data used in computing the prospective payment rates for FY 2026.

For the IRF Quality Reporting Program (QRP), this rule finalizes our proposals to remove two quality measures: (1) the COVID–19 Vaccination Coverage among Healthcare Personnel (HCP) measure, beginning with the FY 2026 IRF QRP, and (2) the COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date measure, beginning with the FY 2028 IRF QRP. Next, we are finalizing proposals to remove four Standardized Patient Assessment Data Elements under the Social Determinant of Health (SDOH) category from the IRF Patient Assessment Instrument (IRF–PAI) beginning with the FY 2028 IRF QRP. We are also finalizing proposals amending our reconsideration policy. Finally, we provide summaries of the comments received in response to a Request for Information (RFI) on four separate considerations: (1) future measure concepts for the IRF QRP; (2) potential revisions to the IRF-Patient Assessment Instrument (PAI); (3) potential revisions to the data submission deadlines for assessment data collected for the IRF QRP; and (4) advancing digital quality measurement in IRFs.

B. Summary of Major Provisions

In this final rule, we use the methods described in the FY 2025 IRF PPS final rule (89 FR 64276) to update the prospective payment rates for FY 2026 using the most current and complete data available at this time, which is FY 2024 IRF claims and FY 2023 IRF cost report data, as discussed in section VI, of this final rule.

For the IRF QRP, this rule will remove two quality measures, remove four SDOH standardized patient assessment data elements, and amend our reconsideration policy. We also include summaries of comments received in response to Requests for Information (RFIs) on four separate considerations.

C. Summary of Impact

TABLE 1—COST AND TRANSFERS

Provision description	Transfers/costs
FY 2026 IRF PPS payment rate update	The overall economic impact of this final rule is an estimated $340 million increase in payments from the Federal Government to IRFs during FY 2026.
FY 2026 IRF QRP changes	The overall economic impact of this final rule is an estimated decrease in costs of $504,929.84 for IRFs for proposed measure removal in VII.C.1. and revisions to reconsiderations policy in VII.E. beginning with the FY 2026 IRF QRP.
FY 2028 IRF QRP changes	The overall economic impact of this final rule is an estimated decrease in costs of $1,090,580.75 to IRFs for proposed measure and item removals in VII.C.2 and VII.D. beginning with the FY 2028 IRF QRP.

II. Background

A. Statutory Basis and Scope for IRF PPS Provisions

Section 1886(j) of the Act provides for the implementation of a per-discharge PPS for inpatient rehabilitation hospitals and inpatient rehabilitation units of a hospital (collectively, hereinafter referred to as IRFs). Payments under the IRF PPS encompass inpatient operating and capital costs of furnishing covered rehabilitation services (that is, routine, ancillary, and capital costs), but not direct graduate medical education costs, costs of approved nursing and allied health education activities, bad debts, and other services or items outside the scope of the IRF PPS. A complete discussion of the IRF PPS provisions appears in the original FY 2002 IRF PPS final rule (66 FR 41316) and the FY 2006 IRF PPS final rule (70 FR 47880) and we provided a general description of the IRF PPS for FYs 2007 through 2019 in the FY 2020 IRF PPS final rule (84 FR 39055 through 39057). A general description of the IRF PPS for FYs 2020 through 2025, along with detailed background information for various other aspects of the IRF PPS, is now available on the CMS website at *https://www.cms.gov/files/document/irf-regulatory-and-legislative-history.pdf.*

Under the IRF PPS from FYs 2002 through 2005, the prospective payment rates were computed across 100 distinct CMGs, as described in the FY 2002 IRF PPS final rule (66 FR 41316). We constructed 95 CMGs using rehabilitation impairment categories (RICs), functional status (both motor and cognitive), and age (in some cases, cognitive status and age may not be a factor in defining a CMG). In addition, we constructed five special CMGs to account for very short stays and for patients who expire in the IRF.

For each of the CMGs, we developed relative weighting factors to account for a patient's clinical characteristics and expected resource needs. Thus, the weighting factors accounted for the relative difference in resource use across all CMGs. Within each CMG, we created tiers based on the estimated effects that certain comorbidities would have on resource use.

We established the Federal PPS rates using a standardized payment conversion factor (formerly referred to as the budget-neutral conversion factor). For a detailed discussion of the budget-neutral conversion factor, please refer to our FY 2004 IRF PPS final rule (68 FR 45684 through 45685). In the FY 2006 IRF PPS final rule (70 FR 47880), we discussed in detail the methodology for determining the standard payment conversion factor.

We applied the relative weighting factors to the standard payment conversion factor to compute the unadjusted prospective payment rates under the IRF PPS from FYs 2002 through 2005. Within the structure of the payment system, we then made adjustments to account for interrupted stays, transfers, short stays, and deaths. Finally, we applied the applicable adjustments to account for geographic variations in wages (wage index), the percentage of low-income patients, location in a rural area (if applicable), and outlier payments (if applicable) to the IRFs' unadjusted prospective payment rates.

For cost reporting periods that began on or after January 1, 2002, and before October 1, 2002, we determined the final prospective payment amounts using the transition methodology prescribed in section 1886(j)(1) of the Act. Under this provision, IRFs transitioning into the PPS were paid a blend of the Federal IRF PPS rate and the payment that the IRFs would have received had the IRF PPS not been implemented. This provision also allowed IRFs to elect to bypass this blended payment and immediately be paid 100 percent of the Federal IRF PPS rate. The transition methodology expired as of cost reporting periods beginning on or after October 1, 2002 (FY 2003), and payments for all IRFs now consist of 100 percent of the Federal IRF PPS rate.

Section 1886(j) of the Act confers broad statutory authority upon the Secretary to propose refinements to the IRF PPS. In the FY 2006 IRF PPS final rule (70 FR 47880) and in correcting amendments to the FY 2006 IRF PPS final rule (70 FR 57166), we finalized a number of refinements to the IRF PPS case-mix classification system (the CMGs and the corresponding relative weights) and the case-level and facility-level adjustments. These refinements included the adoption of the Office of Management and Budget's (OMB's) Core-Based Statistical Area market definitions; modifications to the CMGs, tier comorbidities; and CMG relative weights, implementation of a new teaching status adjustment for IRFs; rebasing and revising the market basket used to update IRF payments, and updates to the rural, low-income percentage (LIP), and high-cost outlier adjustments. Beginning with the FY 2006 IRF PPS final rule (70 FR 47908 through 47917), the market basket used to update IRF payments was a market basket reflecting the operating and capital cost structures for freestanding IRFs, freestanding inpatient psychiatric facilities (IPFs), and long-term care hospitals (LTCHs). Any reference to the FY 2006 IRF PPS final rule in this proposed rule also includes the provisions effective in the correcting amendments. For a detailed discussion of the final key policy changes for FY 2006, please refer to the FY 2006 IRF PPS final rule.

In response to COVID–19 Public Health Emergency (PHE), we published two interim final rules with comment period affecting IRF payment and conditions for participation. The interim final rule with comment period (IFC) entitled ''Medicare and Medicaid Programs; Policy and Regulatory Revisions in Response to the COVID–19 Public Health Emergency,'' published on April 6, 2020 (85 FR 19230) (hereinafter referred to as the April 6, 2020 IFC), included certain changes to the IRF PPS medical supervision requirements at 42 CFR 412.622(a)(3)(iv) and 412.29(e) during the PHE for COVID–19. In addition, in the April 6, 2020 IFC, we removed the post-admission physician evaluation requirement at § 412.622(a)(4)(ii) for all IRFs during the PHE for COVID–19. In the FY 2021 IRF PPS final rule, to ease documentation and administrative burden, we permanently removed the post-admission physician evaluation documentation requirement at § 412.622(a)(4)(ii) beginning in FY 2021.

A second IFC, entitled ''Medicare and Medicaid Programs, Basic Health Program, and Exchanges; Additional Policy and Regulatory Revisions in Response to the COVID–19 Public Health Emergency and Delay of Certain Reporting Requirements for the Skilled Nursing Facility Quality Reporting Program,'' was published on May 8, 2020 (85 FR 27550) (hereinafter referred to as the May 8, 2020 IFC). Among other changes, the May 8, 2020 IFC included a waiver of the ''3-hour rule'' at § 412.622(a)(3)(ii) to reflect the waiver required by section 3711(a) of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Pub. L. 116–136, enacted on March 27, 2020). In the May 8, 2020 IFC, we also modified certain IRF coverage and classification requirements for freestanding IRF hospitals to relieve acute care hospital capacity concerns in States (or regions, as applicable) experiencing a surge during the PHE for COVID–19. In addition to the policies adopted in our IFCs, we responded to the PHE with numerous blanket waivers [1] and other

[1] CMS, ''COVID–19 Emergency Declaration Blanket Waivers for Health Care Providers,''

Continued

flexibilities,[2] some of which are applicable to the IRF PPS. CMS finalized these policies in the Calendar Year 2023 Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems final rule with comment period (87 FR 71748). Subsequently, on May 11, 2023, the U.S. Department of Health and Human Services (''HHS'') declared the expiration of the COVID–19 PHE. (See *https://www.hhs.gov/about/news/2023/02/09/fact-sheet-covid-19-public-health-emergency-transition-roadmap.html.*) As a result, the ''3-hour rule'' waiver at § 412.622(a)(3)(ii) and other IRF flexibilities were terminated.

The regulatory history previously included in each rule or notice issued under the IRF PPS, including a general description of the IRF PPS for FYs 2007 through 2025, is available on the CMS website at *https://www.cms.gov/files/document/irf-regulatory-and-legislative-history.pdf.*

B. Provisions of the Affordable Care Act and the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) Affecting the IRF PPS in FY 2012 and Beyond

The Patient Protection and Affordable Care Act (Pub. L. 111–148) was enacted on March 23, 2010. The Health Care and Education Reconciliation Act of 2010 (Pub. L. 111–152), which amended and revised several provisions of the Patient Protection and Affordable Care Act, was enacted on March 30, 2010. In this final rule, we refer to the two statutes collectively as the ''Affordable Care Act'' or ''ACA''.

The ACA included several provisions that affect the IRF PPS in FYs 2012 and beyond. In addition to what was previously discussed, section 3401(d) of the ACA also added section 1886(j)(3)(C)(ii)(I) of the Act (providing for a ''productivity adjustment'' for FY 2012 and each subsequent FY). The productivity adjustment for FY 2026 is discussed in section VI. of this final rule. Section 1886(j)(3)(C)(ii)(II) of the Act provides that the application of the productivity adjustment to the market basket percentage increase may result in an update that is less than 0.0 for a FY and in payment rates for a FY being less than such payment rates for the preceding FY.

Section 3004(b) of the ACA and section 411(b) of the MACRA (Pub. L. 114–10, enacted on April 16, 2015) also addressed the IRF PPS. Section 3004(b) of ACA reassigned the previously designated section 1886(j)(7) of the Act to section 1886(j)(8) of the Act and inserted a new section 1886(j)(7) of the Act, which contains requirements for the Secretary to establish a QRP for IRFs. Under that program, data must be submitted in a form and manner and at a time specified by the Secretary. Beginning in FY 2014, section 1886(j)(7)(A)(i) of the Act requires the application of a 2-percentage point reduction to the IRF market basket percentage increase otherwise applicable to an IRF (after application of paragraphs (C)(iii) and (D) of section 1886(j)(3) of the Act) for a FY if the IRF does not comply with the requirements of the IRF QRP for that FY. Application of the 2-percentage point reduction may result in an update that is less than 0.0 for a FY and in payment rates for a FY being lower than payment rates for the preceding FY. Reporting-based reductions to the IRF market basket percentage increase are not cumulative; they only apply for the FY involved. Section 411(b) of the MACRA amended section 1886(j)(3)(C) of the Act by adding paragraph (iii), which required us to apply for FY 2018, after the application of section 1886(j)(3)(C)(ii) of the Act, an increase factor of 1.0 percent to update the IRF prospective payment rates.

C. Operational Overview of the Current IRF PPS

As described in the FY 2002 IRF PPS final rule (66 FR 41316), upon the admission and discharge of a Medicare Part A fee-for-service (FFS) patient, the IRF is required to complete the appropriate sections of a Patient Assessment Instrument (PAI), designated as the IRF–PAI. In addition, beginning with IRF discharges occurring on or after October 1, 2009, the IRF is also required to complete the appropriate sections of the IRF–PAI upon the admission and discharge of each MA patient, as described in the FY 2010 IRF PPS final rule (74 FR 39762) and the FY 2010 IRF PPS correction notice (74 FR 50712). All required data must be electronically encoded into the IRF–PAI software product. Generally, the software product includes patient classification programming called the Grouper software. The Grouper software uses specific IRF–PAI data elements to classify (or group) patients into distinct CMGs and account for the existence of any relevant comorbidities.

The Grouper software produces a five-character CMG number. The first character is an alphabetic character that indicates the comorbidity tier. The last four characters are numeric characters that represent the distinct CMG number. A free download of the Grouper software is available on the CMS website at *https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientRehabFacPPS/Software.html.* The Grouper software is also embedded in the internet Quality Improvement and Evaluation System (iQIES) User tool available in iQIES at *https://www.cms.gov/medicare/quality-safety-oversight-general-information/iqies.*

Once a Medicare Part A FFS patient is discharged, the IRF submits a Medicare claim as a Health Insurance Portability and Accountability Act of 1996 (HIPAA) (Pub. L. 104–191, 110 Stat. 1936 August 21, 1996) compliant electronic claim or, if the Administrative Simplification Compliance Act of 2002 (ASCA) (Pub. L. 107–105, enacted on December 27, 2002) permits, a paper claim (a UB–04 or a CMS–1450 as appropriate) using the five-character CMG number and sends it to the appropriate Medicare Administrative Contractor (MAC). In addition, once a MA patient is discharged, in accordance with the Medicare Claims Processing Manual, chapter 3, section 20.3 (Pub. 100–04), hospitals (including IRFs) must submit to their MAC an informational-only bill (type of bill (TOB) 111) that includes Condition Code 04. This will ensure that the MA days are included in the hospital's Supplemental Security Income (SSI) ratio (used in calculating the IRF LIP adjustment) for FY 2007 and beyond. Claims submitted to Medicare must comply with- both ASCA and HIPAA.

Section 3 of the ASCA amended section 1862(a) of the Act by adding paragraph (22), which requires the Medicare program, subject to section 1862(h) of the Act, to deny payment under Part A or Part B for any expenses for items or services for which a claim is submitted other than in an electronic form specified by the Secretary. Section 1862(h) of the Act, in turn, provides that the Secretary shall waive such denial in situations in which there is no method available for the submission of claims in an electronic form or the entity submitting the claim is a small provider. In addition, the Secretary also has the authority to waive such denial in such unusual cases as the Secretary finds appropriate. For more information, see the ''Medicare Program; Electronic Submission of Medicare Claims'' final

(updated Feb. 19, 2021) (available at *https://www.cms.gov/files/document/summary-covid-19-emergency-declaration-waivers.pdf*).

[2] CMS, ''COVID–19 Frequently Asked Questions (FAQs) on Medicare Fee-for-Service (FFS) Billing,'' (updated March 5, 2021) (available at *https://www.cms.gov/files/document/03092020-covid-19-faqs-508.pdf*).

rule (70 FR 71008). Our instructions for the limited number of Medicare claims submitted on paper are available at *https://www.cms.gov/manuals/downloads/clm104c25.pdf.*

Section 3 of the ASCA operates in the context of the administrative simplification provisions of HIPAA, which include, among others, the requirements for transaction standards and code sets codified in 45 CFR part 160 and part 162, subparts A and I through R (generally known as the Transactions Rule). The Transactions Rule requires covered entities, including covered healthcare providers, to conduct covered electronic transactions according to the applicable transaction standards. (See the CMS program claim memoranda at *https://www.cms.gov/ElectronicBillingEDITrans/* and listed in the addenda to the Medicare Intermediary Manual, Part 3, section 3600.)

The MAC processes the claim through its software system. This software system includes pricing programming called the ''Pricer'' software. The Pricer software uses the CMG number, along with other specific claim data elements and provider-specific data, to adjust the IRF's prospective payment for interrupted stays, transfers, short stays, and deaths, and then applies the applicable adjustments to account for the IRF's wage index, percentage of low-income patients, rural location, and outlier payments. For discharges occurring on or after October 1, 2005, the IRF PPS payment also reflects the teaching status adjustment that became effective as of FY 2006, as discussed in the FY 2006 IRF PPS final rule (70 FR 47880).

III. Summary of Provisions of the Final Rule

In this FY 2026 IRF PPS final rule, we are finalizing our proposal to update the IRF PPS for FY 2026 and the IRF QRP for FY 2026 and FY 2028.

The finalized policy changes and updates to the IRF prospective payment rates for FY 2026 will be as follows:

- Update the CMG relative weights and average length of stay values for FY 2026 in a budget neutral manner, as discussed in section V of this final rule.
- Update the IRF PPS payment rates for FY 2026 by the IRF market basket percentage increase, based upon the most current data available, with a productivity adjustment required by section 1886(j)(3)(C)(ii)(I) of the Act, as described in section VI.
- Update the FY 2026 IRF PPS payment rates by the FY 2026 wage index, applying the second year of the phase-out of the rural adjustment for IRFs transitioning from rural to urban, and the labor-related share in a budget-neutral manner, as discussed in section VI.
- Describe the calculation of the IRF standard payment conversion factor for FY 2026, as discussed in section VI.
- Update the outlier threshold amount for FY 2026, as discussed in section VI.
- Update the cost-to-charge ratio (CCR) ceiling and urban/rural average CCRs for FY 2026, as discussed in section VI.

The policy changes and updates to the IRF QRP for FY 2026 will be as follows:

- Remove the COVID–19 Vaccination Coverage among Healthcare Personnel (HCP) measure.
- Amend the Reconsideration Policy.

The proposed policy changes and updates to the IRF QRP for FY 2028 will be as follows:

- Remove the COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date measure.
- Remove four SDOH standardized patient assessment data elements items from the IRF–PAI.

We summarize the comments we received on the following four RFIs:

- Request for information on future measure concepts for the IRF QRP.
- Request for information on potential revisions to the IRF–PAI.
- Request for information on potential revisions to the data submission deadlines for assessment data collected for the IRF QRP.
- Request for information on advancing digital quality measurement in IRFs.

IV. Public Comments

A. Analysis of and Responses to Public Comments

We received 69 timely responses from the public, many of which contained multiple comments on the FY 2026 IRF PPS proposed rule (90 FR 18534). We received comments from various trade associations, inpatient rehabilitation facilities, individual physicians, therapists, clinicians, healthcare industry organizations, healthcare consulting firms, technology vendors, academic institutions, and anonymous persons. The following sections, arranged by subject area, include a summary of the public comments that we received, and our responses.

B. General Comments on the FY 20206 IRF PPS Proposed Rule

In addition to the comments we received on specific proposals contained within the proposed rule (which we address later in this final rule), commenters also submitted more general observations on the IRF PPS and IRF care generally.

Comment: We received comments that were outside the scope of the FY 2026 IRF PPS proposed rule. These comments related to adopting a national healthcare system, updating the facility level adjustments based on a 3-year average that is capped for the teaching coefficient, and considering a future proposal to expand the role of PAs in IRFs and modify paragraphs (a)(3)(iv) and (a)(4)(ii) of § 412.622. Although comments also raised concerns regarding several issues related to MA plans, we did not propose changes to MA and Medicaid managed care plan regulations in this rule. One commenter urged CMS to allow the rehabilitation physician the opportunity to determine which disciplines should provide care within the 3-hour or level of intensity of services rule and recommended recreational therapy interventions (when applicable) to be counted towards the level of intensity rule.

Response: We thank the commenters for bringing these issues to our attention, and we will take these comments into consideration for potential policy refinements or direct the comments to the appropriate subject matter experts.

V. Updates to the Case-Mix Group (CMG) Relative Weights and Average Length of Stay (ALOS) Values for FY 2026

As specified in § 412.620(b)(1), we calculate a relative weight for each CMG that is proportional to the resources needed for an average inpatient rehabilitation case in that CMG. For example, cases in a CMG with a relative weight of 2, on average, will cost twice as much as cases in a CMG with a relative weight of 1. Relative weights account for the variance in cost per discharge due to the variance in resource utilization among the payment groups, and their use helps to ensure that IRF PPS payments support beneficiary access to care, as well as provider efficiency.

In this final rule, we update the CMG relative weights and ALOS values for FY 2026. Typically, we use the most recent available data to update the CMG relative weights and ALOS values. For FY 2026, we are using the FY 2024 IRF claims and FY 2023 IRF cost report data (CMS Form 2552–10, OMB No 0938–0050). These data are the most current and complete data available at the time of this final rule. Currently, only a small portion of the FY 2024 IRF cost report data is available for analysis, but the

majority of the FY 2024 IRF claims data are available for analysis.

In the FY 2026 IRF PPS proposed rule, we proposed that if more recent data became available after the publication of the proposed rule and before the publication of this final rule, we would use such data to determine the FY 2026 CMG relative weights and ALOS values in this final rule.

We proposed to apply these data using the same methodologies that we have used to update the CMG relative weights and ALOS values each FY since we implemented an update to the methodology. The detailed cost-to-charge ratio (CCR) data from the cost reports of IRF provider units of primary acute care hospitals is used for this methodology, instead of CCR data from the associated primary care hospitals, to calculate IRFs' average costs per case, as discussed in the FY 2009 IRF PPS final rule (73 FR 46372). In calculating the CMG relative weights, we use a hospital-specific relative value method to estimate the operating (routine and ancillary services) and capital costs of IRFs. The process to calculate the CMG relative weights for this final rule is as follows:

Step 1. We estimate the effects that comorbidities have on costs.

Step 2. We adjust the cost of each Medicare discharge (case) to reflect the effects found in Step 1.

Step 3. We use the adjusted costs from Step 2 to calculate CMG relative weights, using the hospital-specific relative value method.

Step 4. We normalize the FY 2026 CMG relative weights using a normalization factor that results in the average CMG relative weights in FY 2026 being the same as the average CMG relative weights in the FY 2025 IRF PPS final rule (89 FR 64276).

Consistent with the methodology that we have used to update the IRF classification system in each instance in the past, we are updating the CMG relative weights for FY 2026 in such a way that total estimated aggregate payments to IRFs for FY 2026 are the same with or without the changes (that is, in a budget-neutral manner) by applying a budget neutrality factor to the standard payment amount. To calculate the appropriate budget neutrality factor for use in updating the FY 2026 CMG relative weights, we use the following steps:

Step 1. Calculate the estimated total amount of IRF PPS payments for FY 2026 (with no changes to the CMG relative weights).

Step 2. Calculate the estimated total amount of IRF PPS payments for FY 2026 by applying the proposed changes to the CMG relative weights (as discussed in this proposed rule).

Step 3. Divide the amount calculated in Step 1 by the amount calculated in Step 2 to determine the budget neutrality factor of 0.9985 that would maintain the same total estimated aggregate payments in FY 2026 with and without the proposed changes to the final CMG relative weights.

Step 4. Apply the budget neutrality factor from Step 3 to the FY 2026 IRF PPS standard payment amount after the application of the budget-neutral wage adjustment factor.

In section V of this final rule, we discuss the proposed use of the existing methodology to calculate the proposed standard payment conversion factor for FY 2026.

In Table 2, ''Relative Weights and Average Length of Stay Values for Case -Mix Groups,'' we present the CMGs, the comorbidity tiers, the corresponding relative weights, and the ALOS values for each CMG and tier for FY 2026. The ALOS for each CMG is used to determine when an IRF discharge meets the definition of a short stay transfer, which results in a per diem case level adjustment.

TABLE 2—RELATIVE WEIGHTS AND AVERAGE LENGTH OF STAY VALUES FOR THE CASE-MIX-GROUPS

CMG	CMG description (M=motor, A=age)	Relative weight				Average length of stay			
		Tier 1	Tier 2	Tier 3	No Comorbidity tier	Tier 1	Tier 2	Tier 3	No Comorbidity tier
0101	Stroke M >=72.50	0.9669	0.8586	0.7779	0.7379	8	9	9	8
0102	Stroke M >=63.50 and M <72.50.	1.2306	1.0928	0.9901	0.9392	11	11	11	10
0103	Stroke M >=50.50 and M <63.50.	1.5798	1.4029	1.2710	1.2056	14	15	13	13
0104	Stroke M >=41.50 and M <50.50.	2.0177	1.7918	1.6234	1.5398	16	17	16	16
0105	Stroke M <41.50 and A >=84.50.	2.5146	2.2330	2.0231	1.9190	23	21	20	19
0106	Stroke M <41.50 and A <84.50.	2.8325	2.5153	2.2789	2.1616	24	24	22	22
0201	Traumatic brain injury M >=73.50.	1.0614	0.8440	0.7710	0.7244	10	9	8	9
0202	Traumatic brain injury M >=61.50 and M <73.50.	1.3861	1.1021	1.0069	0.9460	12	11	11	10
0203	Traumatic brain injury M >=49.50 and M <61.50.	1.7233	1.3702	1.2518	1.1761	14	14	13	12
0204	Traumatic brain injury M >=35.50 and M <49.50.	2.1239	1.6887	1.5428	1.4495	17	17	15	15
0205	Traumatic brain injury M <35.50.	2.7248	2.1665	1.9793	1.8596	28	22	19	18
0301	Non-traumatic brain injury M >=65.50.	1.1939	0.9462	0.8822	0.8259	10	10	9	9
0302	Non-traumatic brain injury M >=52.50 and M <65.50.	1.5445	1.2241	1.1412	1.0683	12	12	11	11

TABLE 2—RELATIVE WEIGHTS AND AVERAGE LENGTH OF STAY VALUES FOR THE CASE-MIX-GROUPS—Continued

CMG	CMG description (M=motor, A=age)	Relative weight				Average length of stay			
		Tier 1	Tier 2	Tier 3	No Comorbidity tier	Tier 1	Tier 2	Tier 3	No Comorbidity tier
0303	Non-traumatic brain injury M >=42.50 and M <52.50.	1.8262	1.4474	1.3494	1.2633	14	14	13	13
0304	Non-traumatic brain injury M <42.50 and A >=78.50.	2.1635	1.7147	1.5985	1.4965	18	17	16	15
0305	Non-traumatic brain injury M <42.50 and A <78.50.	2.3699	1.8783	1.7511	1.6393	19	19	17	16
0401	Traumatic spinal cord injury M >=56.50.	1.3548	1.1074	1.0783	0.9757	12	12	11	11
0402	Traumatic spinal cord injury M >=47.50 and M <56.50.	1.6985	1.3883	1.3518	1.2232	15	14	14	13
0403	Traumatic spinal cord injury M >=41.50 and M <47.50.	1.9604	1.6024	1.5602	1.4118	17	15	15	16
0404	Traumatic spinal cord injury M <31.50 and A <61.50.	3.1765	2.5964	2.5281	2.2877	23	33	25	22
0405	Traumatic spinal cord injury M >=31.50 and M <41.50.	2.5161	2.0566	2.0025	1.8121	19	20	21	19
0406	Traumatic spinal cord injury M >=24.50 and M <31.50 and A >=61.50.	3.3100	2.7055	2.6343	2.3838	23	29	26	24
0407	Traumatic spinal cord injury M <24.50 and A >=61.50.	4.5328	3.7050	3.6075	3.2644	42	36	33	33
0501	Non-traumatic spinal cord injury M >=60.50.	1.3090	1.0060	0.9359	0.8625	11	10	10	10
0502	Non-traumatic spinal cord injury M >=53.50 and M <60.50.	1.6251	1.2489	1.1618	1.0707	14	13	12	12
0503	Non-traumatic spinal cord injury M >=48.50 and M <53.50.	1.8402	1.4142	1.3156	1.2124	16	14	14	13
0504	Non-traumatic spinal cord injury M >=39.50 and M <48.50.	2.1989	1.6898	1.5720	1.4487	18	16	16	15
0505	Non-traumatic spinal cord injury M <39.50.	3.1242	2.4009	2.2336	2.0584	26	23	22	20
0601	Neurological M >=64.50.	1.3095	0.9918	0.9341	0.8390	11	10	9	9
0602	Neurological M >=52.50 and M <64.50.	1.6289	1.2337	1.1619	1.0437	13	12	11	11
0603	Neurological M >=43.50 and M <52.50.	1.9370	1.4670	1.3817	1.2411	15	14	13	13
0604	Neurological M <43.50.	2.4498	1.8553	1.7475	1.5696	20	17	16	16
0701	Fracture of lower extremity M >=61.50.	1.2269	0.9809	0.9316	0.8513	11	11	10	9
0702	Fracture of lower extremity M >=52.50 and M <61.50.	1.5165	1.2125	1.1515	1.0523	13	13	12	11

TABLE 2—RELATIVE WEIGHTS AND AVERAGE LENGTH OF STAY VALUES FOR THE CASE-MIX-GROUPS—Continued

CMG	CMG description (M=motor, A=age)	Relative weight				Average length of stay			
		Tier 1	Tier 2	Tier 3	No Comorbidity tier	Tier 1	Tier 2	Tier 3	No Comorbidity tier
0703	Fracture of lower extremity M >=41.50 and M <52.50.	1.8578	1.4854	1.4108	1.2892	16	15	14	14
0704	Fracture of lower extremity M <41.50.	2.2940	1.8342	1.7420	1.5918	18	18	17	16
0801	Replacement of lower-extremity joint M >=63.50.	1.1781	0.9922	0.8869	0.8310	10	10	9	9
0802	Replacement of lower-extremity joint M >=57.50 and M <63.50.	1.3428	1.1310	1.0109	0.9472	10	10	10	10
0803	Replacement of lower-extremity joint M >=51.50 and M <57.50.	1.4778	1.2447	1.1126	1.0424	13	12	11	11
0804	Replacement of lower-extremity joint M >=42.50 and M <51.50.	1.6788	1.4140	1.2639	1.1842	14	14	12	12
0805	Replacement of lower-extremity joint M <42.50.	2.0910	1.7611	1.5742	1.4749	17	17	15	14
0901	Other orthopedic M >=63.50.	1.2385	0.9381	0.8862	0.8084	11	10	9	9
0902	Other orthopedic M >=51.50 and M <63.50.	1.5733	1.1917	1.1257	1.0270	13	12	12	11
0903	Other orthopedic M >=44.50 and M <51.50.	1.8670	1.4141	1.3358	1.2187	15	14	13	13
0904	Other orthopedic M <44.5.	2.2482	1.7029	1.6086	1.4675	18	17	16	15
1001	Amputation lower extremity M >=64.50.	1.2289	1.0211	0.9268	0.8605	11	10	10	9
1002	Amputation lower extremity M >=55.50 and M <64.50.	1.4929	1.2405	1.1259	1.0454	13	13	12	11
1003	Amputation lower extremity M >=47.50 and M <55.50.	1.7768	1.4764	1.3400	1.2442	15	16	14	13
1004	Amputation lower extremity M <47.50.	2.3634	1.9638	1.7824	1.6550	19	19	17	17
1101	Amputation non-lower extremity M >=58.50.	1.3524	1.2804	1.1019	0.9641	12	13	11	11
1102	Amputation non-lower extremity M >=52.50 and M <58.50.	1.5444	1.4621	1.2582	1.1009	13	13	13	11
1103	Amputation non-lower extremity M <52.50.	1.9344	1.8313	1.5760	1.3789	16	17	15	13
1201	Osteoarthritis M >=61.50.	1.3247	1.0514	0.9396	0.8702	11	11	9	10
1202	Osteoarthritis M >=49.50 and M <61.50.	1.5576	1.2362	1.1047	1.0231	13	12	12	11
1203	Osteoarthritis M <49.50 and A >=74.50.	2.0850	1.6548	1.4788	1.3696	16	16	15	14
1204	Osteoarthritis M <49.50 and A <74.50.	2.1465	1.7037	1.5225	1.4100	17	16	15	15
1301	Rheumatoid other arthritis M >=62.50.	1.2527	1.0015	0.9176	0.8336	10	10	9	9
1302	Rheumatoid other arthritis M >=51.50 and M <62.50.	1.5360	1.2280	1.1252	1.0221	12	12	11	11

TABLE 2—RELATIVE WEIGHTS AND AVERAGE LENGTH OF STAY VALUES FOR THE CASE-MIX-GROUPS—Continued

CMG	CMG description (M=motor, A=age)	Relative weight				Average length of stay			
		Tier 1	Tier 2	Tier 3	No Comorbidity tier	Tier 1	Tier 2	Tier 3	No Comorbidity tier
1303	Rheumatoid other arthritis M >=44.50 and M <51.50 and A >=64.50.	1.7752	1.4192	1.3004	1.1812	14	14	13	12
1304	Rheumatoid other arthritis M <44.50 and A >=64.50.	2.2912	1.8318	1.6784	1.5246	16	17	16	15
1305	Rheumatoid other arthritis M <51.50 and A <64.50.	2.2867	1.8281	1.6750	1.5216	17	18	16	14
1401	Cardiac M >=68.50.	1.1175	0.9002	0.8323	0.7654	10	9	9	8
1402	Cardiac M >=55.50 and M <68.50.	1.4236	1.1468	1.0603	0.9751	12	12	11	10
1403	Cardiac M >=45.50 and M <55.50.	1.7207	1.3861	1.2816	1.1786	14	14	13	12
1404	Cardiac M <45.50	2.1468	1.7294	1.5991	1.4705	18	17	15	15
1501	Pulmonary M >=68.50.	1.3103	1.0536	0.9867	0.9432	10	10	9	9
1502	Pulmonary M >=56.50 and M <68.50.	1.6022	1.2883	1.2065	1.1534	12	12	11	11
1503	Pulmonary M >=45.50 and M <56.50.	1.8680	1.5020	1.4066	1.3446	15	14	13	13
1504	Pulmonary M <45.50.	2.3425	1.8835	1.7639	1.6862	20	16	16	15
1601	Pain syndrome M >=65.50.	1.0512	0.9420	0.8617	0.7811	9	10	9	9
1602	Pain syndrome M >=58.50 and M <65.50.	1.2648	1.1335	1.0368	0.9399	11	12	11	10
1603	Pain syndrome M >=43.50 and M <58.50.	1.5317	1.3727	1.2557	1.1382	13	14	13	12
1604	Pain syndrome M <43.50.	2.0049	1.7968	1.6436	1.4898	14	19	16	15
1701	Major multiple trauma without brain or spinal cord injury M >=57.50.	1.3191	1.0450	0.9702	0.8932	12	10	10	10
1702	Major multiple trauma without brain or spinal cord injury M >=50.50 and M <57.50.	1.6260	1.2881	1.1960	1.1010	13	13	12	12
1703	Major multiple trauma without brain or spinal cord injury M >=41.50 and M <50.50.	1.9078	1.5114	1.4033	1.2919	15	15	14	13
1704	Major multiple trauma without brain or spinal cord injury M >=36.50 and M <41.50.	2.1953	1.7392	1.6148	1.4866	18	17	16	15
1705	Major multiple trauma without brain or spinal cord injury M <36.50.	2.5557	2.0247	1.8799	1.7306	19	19	18	17
1801	Major multiple trauma with brain or spinal cord injury M >=67.50.	1.1189	0.9154	0.8421	0.7904	12	10	9	9

TABLE 2—RELATIVE WEIGHTS AND AVERAGE LENGTH OF STAY VALUES FOR THE CASE-MIX-GROUPS—Continued

CMG	CMG description (M=motor, A=age)	Relative weight				Average length of stay			
		Tier 1	Tier 2	Tier 3	No Comorbidity tier	Tier 1	Tier 2	Tier 3	No Comorbidity tier
1802	Major multiple trauma with brain or spinal cord injury M >=55.50 and M <67.50.	1.4223	1.1636	1.0704	1.0047	14	13	11	11
1803	Major multiple trauma with brain or spinal cord injury M >=45.50 and M <55.50.	1.7694	1.4475	1.3316	1.2498	17	15	14	13
1804	Major multiple trauma with brain or spinal cord injury M >=40.50 and M <45.50.	2.0665	1.6906	1.5552	1.4597	19	17	15	16
1805	Major multiple trauma with brain or spinal cord injury M >=30.50 and M <40.50.	2.4792	2.0282	1.8658	1.7512	23	20	18	18
1806	Major multiple trauma with brain or spinal cord injury M <30.50.	3.5919	2.9385	2.7032	2.5372	36	28	27	24
1901	Guillain-Barré M >=66.50.	1.3407	0.9475	0.8237	0.8240	11	10	9	9
1902	Guillain-Barré M >=51.50 and M <66.50.	1.9505	1.3785	1.1984	1.1987	15	14	13	13
1903	Guillain-Barré M >=38.50 and M <51.50.	2.7597	1.9504	1.6956	1.6960	20	18	17	18
1904	Guillain-Barré M <38.50.	4.2436	2.9991	2.6072	2.6080	37	30	25	25
2001	Miscellaneous M >=66.50.	1.1884	0.9531	0.8864	0.8114	10	10	9	9
2002	Miscellaneous M >=55.50 and M <66.50.	1.4755	1.1833	1.1004	1.0074	12	12	11	11
2003	Miscellaneous M >=46.50 and M <55.50.	1.7326	1.3895	1.2922	1.1830	14	13	13	12
2004	Miscellaneous M <46.50 and A >=77.50.	2.1131	1.6946	1.5760	1.4427	17	16	15	15
2005	Miscellaneous M <46.50 and A <77.50.	2.2118	1.7738	1.6496	1.5101	18	17	16	15
2101	Burns M >=52.50	1.6061	1.3503	1.0183	0.9765	15	15	10	11
2102	Burns M <52.50 ...	2.5451	2.1397	1.6136	1.5474	19	18	16	16
5001	Short-stay cases, length of stay is 3 days or fewer.	0.0000	0.0000	0.0000	0.1755	0	0	0	3
5101	Expired, orthopedic, length of stay is 13 days or fewer.	0.0000	0.0000	0.0000	0.8539	0	0	0	8
5102	Expired, orthopedic, length of stay is 14 days or more.	0.0000	0.0000	0.0000	2.0485	0	0	0	20
5103	Expired, not orthopedic, length of stay is 15 days or fewer.	0.0000	0.0000	0.0000	0.9118	0	0	0	8
5104	Expired, not orthopedic, length of stay is 16 days or more.	0.0000	0.0000	0.0000	2.1881	0	0	0	20

Generally, updates to the CMG relative weights result in some increases and some decreases to the CMG relative weight values. Table 3 shows how we estimate that the application of the revisions for FY 2026 would affect particular CMG relative weight values, which would affect the overall distribution of payments within CMGs and tiers. We note that, because we implement the CMG relative weight revisions in a budget-neutral manner (as previously described), total estimated aggregate payments to IRFs for FY 2026 would not be affected as a result of the CMG relative weight revisions. However, the revisions would affect the distribution of payments within CMGs and tiers.

TABLE 3—DISTRIBUTIONAL EFFECTS OF THE CHANGES TO THE CMG RELATIVE WEIGHTS

Percentage change in CMG relative weights	Number of cases affected	Percentage of cases affected (%)
Increased by 15% or more	80	0.0
Increased by between 5% and 15%	2,634	0.6
Changed by less than 5%	439,183	99.2
Decreased by between 5% and 15%	794	0.2
Decreased by 15% or more	11	0.0

As shown in Table 3, 99.2 percent of all IRF cases are in CMGs and tiers that would experience less than a 5 percent change (either increase or decrease) in the CMG relative weight value as a result of the revisions for FY 2026. The changes in the ALOS values for FY 2026, compared with the FY 2025 ALOS values, are small and do not show any particular trends in IRF length of stay patterns.

We invited public comment on our proposed updates to the CMG relative weights and ALOS values for FY 2026.

The following is a summary of the public comments received on the proposed updates to the CMG relative weights and ALOS and our responses:

Comment: Public comments generally supported CMS' update to the CMG relative weights and average length of stay values and encouraged CMS to use the latest available data to update these values in the final rule. A few commenters recommend future refinements to computing the CMGs and use of the ALOS.

Response: We appreciate these commenters' support for updating the relative weights and ALOS values for FY 2026. We have updated our data between the FY 2026 IRF PPS proposed and this final rule to ensure that we use the most recent available data in calculating IRF PPS payments.

The methodology that we use to update the CMG relative weights uses the most recent cost data reported by IRFs to compute relative weights that reflect the relative costliness of different IRF cases in a budget neutral manner. We increase or decrease relative weights of the CMGs annually, including for those CMGs associated with the 13 conditions that qualify for the 60 percent rule, under 42 CFR 412.29(b)(2), based only on the cost data reported to us by IRFs each year.

We believe that these data accurately reflect the severity of the IRF patient population and the associated costs of caring for these patients in the IRF setting. The CMG relative weights are updated each year based on the most recent available data for the full population of IRF Medicare fee-for-service beneficiaries. This ensures that the IRF case -mix system is as reflective as possible of changes in the IRF patient populations and the associated coding practices and ensures that IRF payments appropriately reflect the relative costs of caring for all types of IRF patients.

Comment: The Medicare Payment Advisory Commission (MedPAC) submitted a comment recommending that CMS consider using an average-cost weighting method, rather than the current hospital-specific relative value method (HSRV), for calculating the CMG relative weights, to improve the relationship between costs and payments and increase the uniformity of profitability across IRF cases.

Response: We did not propose any changes to the current HSRV method used to assign payment weights for FY 2025 and believe that a careful evaluation of the advantages and disadvantages of moving to an average-cost weighting method is essential, given the major distributional shifts that would be associated with such a change. The purpose of the HSRV method is, in part, to place a greater emphasis on more efficient IRF providers (that is, those that treat complex IRF patients at lower costs). CMS believes moving to an average-cost weighting method places more emphasis on high cost IRF providers, which could have higher costs because they are operating less efficiently. We will continue evaluating the effects of changing from HSRV weighting to average-cost weighting. The results of this analysis will inform future rulemaking.

After consideration of the comments we received, we are finalizing our proposal to update the CMG relative weights and ALOS values for FY 2026 using the same methodologies that we have used to update the CMG relative weights and ALOS values for each FY since we implemented an update to the methodology in FY 2009, as shown in Table 2 of this final rule. These updates are effective for FY 2026, that is, for discharges occurring on or after October 1, 2025, and on or before September 30, 2026.

VI. FY 2026 IRF PPS Payment Update

A. Background

Section 1886(j)(3)(C) of the Act requires the Secretary to establish an increase factor that reflects changes over time in the prices of an appropriate mix of goods and services for which payment is made under the IRF PPS. According to section 1886(j)(3)(A)(i) of the Act, the increase factor shall be used to update the IRF prospective payment rates for each FY. Section 1886(j)(3)(C)(ii)(I) of the Act requires the application of the productivity adjustment described in section 1886(b)(3)(B)(xi)(II) of the Act. Thus, we proposed to update the IRF PPS payments for FY 2026 by a market basket percentage increase as required by section 1886(j)(3)(C) of the Act based upon the most current data available, with a productivity adjustment as required by section 1886(j)(3)(C)(ii)(I) of the Act.

We have utilized various market baskets through the years in the IRF PPS. For a discussion of these market baskets, we refer readers to the FY 2016 IRF PPS final rule (80 FR 47046).

Beginning with FY 2024, we finalized a rebased and revised IRF market basket

to reflect a 2021 base year. The FY 2024 IRF PPS final rule (88 FR 50966 through 50988) contains a complete discussion of the development of the 2021-based IRF market basket.

B. FY 2026 Market Basket Update and Productivity Adjustment

1. FY 2026 Market Basket Update

For FY 2026 (that is, beginning October 1, 2025, and ending September 30, 2026), we proposed to update the IRF PPS payments by a market basket percentage increase as required by section 1886(j)(3)(C) of the Act, with a productivity adjustment as required by section 1886(j)(3)(C)(ii)(I) of the Act. For FY 2026, we proposed to use the same methodology described in the FY 2025 IRF PPS final rule (89 FR 64285 through 64286).

Consistent with historical practice, we proposed to estimate the market basket update for the IRF PPS for FY 2026 based on IHS Global Inc.'s (IGI's) [3] forecast using the most recent available data at the time of rulemaking. IGI is a nationally recognized economic and financial forecasting firm with which CMS contracts to forecast the components of the market baskets. Based on IGI's fourth quarter 2024 forecast with historical data through the third quarter of 2024, the proposed 2021-based IRF market basket percentage increase for FY 2026 was projected to be 3.4 percent. We also proposed that if more recent data became available after the publication of the proposed rule and before the publication of this final rule (for example, a more recent estimate of the market basket percentage increase or productivity adjustment), we would use such data, if appropriate, to determine the FY 2026 IRF market basket update in this final rule. Based on IGI's second quarter 2025 forecast with historical data through the first quarter of 2025, the 2021-based IRF market basket percentage increase for FY 2026 is 3.3 percent.

2. FY 2026 Productivity Adjustment

According to section 1886(j)(3)(C)(i) of the Act, the Secretary shall establish an increase factor based on an appropriate percentage increase in a market basket of goods and services. Section 1886(j)(3)(C)(ii) of the Act requires that, after establishing the increase factor for a FY, the Secretary shall reduce such increase factor for FY 2012 and each subsequent FY, by the productivity adjustment described in section 1886(b)(3)(B)(xi)(II) of the Act. Section 1886(b)(3)(B)(xi)(II) of the Act sets forth the definition of this productivity adjustment. The statute defines the productivity adjustment to be equal to the 10-year moving average of changes in annual economy-wide, private nonfarm business multifactor productivity (as projected by the Secretary for the 10-year period ending with the applicable FY, year, cost reporting period, or other annual period) (the ''productivity adjustment''). The U.S. Department of Labor's Bureau of Labor Statistics (BLS) publishes the official measures of productivity for the U.S. economy. We note that previously the productivity measure referenced in section 1886(b)(3)(B)(xi)(II) of the Act, was referred to by BLS as private nonfarm business multifactor productivity. Beginning with the November 18, 2021, release of productivity data, BLS replaced the term multifactor productivity (MFP) with total factor productivity (TFP). BLS noted that this is a change in terminology only and will not affect the data or methodology. As a result of this change, the productivity measure referenced in section 1886(b)(3)(B)(xi)(II) of the Act is now published by BLS as private nonfarm business total factor productivity. However, as mentioned above, the data and methods are unchanged. Please see *www.bls.gov* for the BLS historical published TFP data. A complete description of IGI's TFP projection methodology is available on the CMS website at *https://www.cms.gov/data-research/statistics-trends-and-reports/medicare-program-rates-statistics/market-basket-research-and-information.* In addition, in the FY 2022 IRF final rule (86 FR 42374), we noted that effective with FY 2022 and forward, CMS changed the name of this adjustment to refer to it as the productivity adjustment rather than the MFP adjustment.

As stated in the proposed rule, using IGI's fourth quarter 2024 forecast, the 10-year moving average growth of TFP for FY 2026 was projected to be 0.8 percent. In accordance with section 1886(j)(3)(C) of the Act, we proposed to base the FY 2026 IRF market basket percentage increase, which is used to determine the applicable percentage increase for the IRF payments, on IGI's fourth quarter 2024 forecast of the 2021-based IRF market basket. We proposed to then reduce the market basket percentage increase by the proposed productivity adjustment for FY 2026 of 0.8 percentage point (the 10-year moving average growth of TFP for the period ending FY 2026 based on IGI's fourth quarter 2024 forecast). Therefore, the proposed FY 2026 IRF market basket update was 2.6 percent (3.4 percent market basket percentage increase reduced by the 0.8 percentage point productivity adjustment). Furthermore, we proposed that if more recent data became available after the publication of the proposed rule and before the publication of this final rule (for example, a more recent estimate of the market basket percentage increase and productivity adjustment), we would use such data, if appropriate, to determine the FY 2026 IRF market basket percentage increase and productivity adjustment in this final rule.

Using IGI's second quarter 2025 forecast, the 10-year moving average growth of TFP for FY 2026 is projected to be 0.7 percent. Thus, in accordance with section 1886(j)(3)(C) of the Act, the FY 2026 market basket percentage increase, which is used to determine the applicable percentage increase for the IRF payments, is equal to 3.3 percent using IGI's second quarter 2025 forecast of the 2021-based IRF market basket. We then reduce this percentage increase by the estimated productivity adjustment for FY 2026 of 0.7 percentage point (the 10-year moving average growth of TFP for the period ending FY 2026 based on IGI's second quarter 2025 forecast). Therefore, more recent data would provide a FY 2026 IRF update equal to 2.6 percent (3.3 percent market basket percentage increase reduced by the 0.7 percentage point productivity adjustment).

In its March 2025 Report to Congress, MedPAC recommended that Congress should reduce the IRF PPS base payment rate by 7 percent for FY 2026.[4] As discussed, and in accordance with sections 1886(j)(3)(C) and 1886(j)(3)(D) of the Act, the Secretary proposed to update the IRF PPS payment rates for FY 2026 by the proposed IRF market basket update of 2.6 percent.

Based on more recent data, the current estimate of the productivity-adjusted IRF market basket increase factor for FY 2026 remains 2.6 percent. Section 1886(j)(3)(C) of the Act does not provide the Secretary with the authority to apply a different update factor to IRF PPS payment rates for FY 2026.

We invited public comments on the proposed FY 2026 market basket percentage increase and productivity adjustment. The following is a summary of the public comments received and our responses.

[3] *https://www.spglobal.com/en.*

[4] *https://www.medpac.gov/wp-content/uploads/2025/03/Mar25_MedPAC_ReportToCongress_SEC.pdf.*

Comment: Several commenters expressed agreement with the general strategy of increasing the standard payment conversion factor. However, many raised concerns that the proposed FY 2026 IRF payment increase is insufficient. Respondents indicated that the proposed payment adjustment fails to keep up with the significant cost increases faced by IRFs, including those related to labor, drugs, medical supplies, personal protective equipment (PPE), and capital investments. Additionally, they highlighted other challenges such as staffing shortages, supply chain disruptions, escalating cybersecurity investment needs, higher administrative costs due to MA and commercial plan practices, and uncertain inflation expectations resulting from recent and proposed tariff adjustments on goods like medical supplies and pharmaceuticals from key supplier countries.

Several commenters mentioned that the increasing disparity between payment inflation and cost inflation is exerting significant financial pressure on hospitals, leading to a substantial reduction in their profit margins. A few commenters have expressed that an analysis of the data in CMS' IRF Rate-Setting File suggests that nearly 40 percent of all IRFs are projected to experience negative total PPS profit margins for FY 2025, including over half of hospital-based IRF units and teaching IRFs. Additionally, one commenter referred to MedPAC's March 2025 Report to Congress, which highlighted that non-profit IRFs tend to have lower profit margins compared to for-profit IRFs. The report recommends that Congress reduce the IRF base payment by 7 percent for FY 2026. However, the commenter suggested that this recommendation might not be applicable if the analysis had distinctly considered for-profit and non-profit IRFs, as non-profit IRFs typically exhibit smaller profit margins. One commenter, MedPAC, stated that the Secretary is required to update the IRF PPS rates by the market basket minus a productivity adjustment; however, based on the review of many payment adequacy indicators, including beneficiary access to IRF services, the supply of providers, and aggregate IRF Medicare margins (which have been above 13 percent since 2015), the Commission concluded that Medicare's current payment rates for IRFs are more than adequate.

Most commenters highlighted that persistent labor shortages and high-cost inflation necessitate increased payment rates for all IRFs. They urged CMS to consider the most current inflation data or update the market basket to reflect actual input costs. One commenter noted that rural IRFs face even more cost pressures amplified by severe workforce shortages, heavy dependence on traveling clinicians and contract staff, lack of community-based alternatives leading to longer patient stays, and significant transportation and access issues.

Several commenters indicated that the underlying construction of the IRF market basket may have limitations that do not adequately capture inflation pressures. They stated that it is perplexing how hospitals, especially labor-intensive IRFs, could experience a change in the market basket that is significantly below general inflation. The commenters noted that the IRF market basket relies on projected growth in generalized hospital goods and services, which does not consider the specialized training and experience required by therapists, nurses, and other clinicians in IRFs. Additionally, some commenters highlighted that IRFs often incur higher costs for advanced rehabilitation technologies and specialized medications, which may not be adequately reflected in the market basket. An example the commenter provided was CMS' use of the Employment Cost Index (ECI) to measure changes in labor compensation in the market basket. The commenters stated that the ECI might not fully capture growth in employment and labor costs, as it does not account for changes driven by shifts between different categories of labor. However, the commenters emphasized that this is just one potential issue and encouraged CMS to comprehensively reexamine the market basket to identify other areas for refinement.

Several commenters suggested that CMS review the current forecasting approach used for determining the IRF PPS market basket update, indicating there may be a systemic issue with IGI's forecasting that tends toward under-forecasting growth. They observed that since the COVID–19 PHE, IGI's forecasted growth for the IRF market basket has consistently been lower than the actual market basket growth. While acknowledging that forecasts are inherently imperfect, they asserted that past forecasts were more balanced. The commenters expressed concern that without action from CMS, these missed forecasts will become permanently embedded in the standard payment rate for IRFs and will continue to accumulate. Additionally, they pointed out that these underpayments affect other payments as well, including those for the growing MA patient population and commercial insurer payment rates. Some commenters mentioned that CMS has provided larger increases to MA plans, such as a recent 5.06 percent rate increase for 2026, and questioned why there is a significant difference between the MA rate increase and the IRF FFS rate increase. One commenter noted that the authorizing statute for the IRF PPS allows CMS to determine a suitable index for the market basket update and to make appropriate adjustments to IRF PPS payments and this implies that CMS is not required to use IGI data, or solely such data, as the basis for the IRF PPS increase factor.

Response: We acknowledge and appreciate commenters' concerns regarding recent trends in inflation. We are required to update IRF PPS payments by the market basket update adjusted for productivity, as directed by section 1886(j)(3)(C) of the Act. Specifically, section 1886(j)(3)(C)(i) of the Act states that the increase factor shall be based on an appropriate percentage increase in a market basket of goods and services comprising services for which payment is made. In the FY 2024 IRF PPS final rule, we rebased the IRF market basket to reflect a 2021 base year (88 FR 50966 through 50982). We believe the increase in the 2021-based IRF market basket adequately reflects the average change in the price of goods and services hospitals purchase to provide IRF medical services and is technically appropriate to use as the IRF payment update factor.

The IRF market basket is a fixed-weight, Laspeyres-type index that measures the change in price over time of the same mix of goods and services purchased by IRFs in the base period. As we discussed in response to similar comments in the FY 2024 IRF PPS final rule (88 FR 50983) and the FY 2025 IRF PPS final rule (89 FR 64286), the IRF market basket update would reflect the prospective price pressures described by the commenters as increasing during a high inflation period but would inherently not reflect other factors that might increase the level of costs (such as increases in volume or intensity). We note that cost changes (that is, the product of price and quantities) would only be reflected when a market basket is rebased, and the base year weights are updated to a more recent time period.

We respectfully disagree that the IRF market basket does not consider the specialized costs faced by IRFs, as the market basket weights are derived directly from IRF cost report data, which inherently captures and reflects the specific cost structures of inpatient rehabilitation facilities, including expenditures for specialized

rehabilitation technologies, advanced therapeutic equipment, and the unique staffing mix required for IRF services, ensuring that these facility-specific costs are appropriately represented in the market basket calculation. Additionally, we note that the IRF market basket is designed to reflect national-level inflationary price pressures affecting IRFs, and separate payment adjustments, such as rural add-on payments and wage index adjustments, exist to address geographic cost variations and specific challenges faced by rural facilities. Therefore, we believe the 2021-based IRF market basket appropriately reflects IRF cost structures.

To measure price growth for IRF wages and salaries costs in the IRF market basket, since IRF-specific information is unavailable, we use the ECI for Wages and Salaries for All Civilian workers in Hospitals. As stated in the FY 2024 IRF final rule (88 FR 50978) and FY 2025 IRF final rule (89 FR 64286), we believe that this ECI is the best available price proxy to account for the occupational skill mix within IRFs and in the absence of an IRF-specific ECI, we believe that the highly skilled hospital workforce captured by the ECI for Wages and Salaries for All Civilian workers in Hospitals (inclusive of therapists, nurses, other clinicians, etc.) is a reasonable price proxy for the compensation component of the IRF market basket. The FY 2024 IRF and FY 2025 IRF final rules provide a detailed discussion as it relates to contract labor in IRFs and their share of overall IRF compensation costs and hours.

To reflect expected price growth for each of the cost categories in the IRF market basket, we rely on impartial economic forecasts of the price proxies used in the market basket from IGI, which is a nationally recognized economic and financial forecasting firm with which CMS contracts to forecast the components of the market baskets. At the time of the FY 2026 IRF PPS proposed rule, based on IGI's fourth quarter 2024 forecast with historical data through the third quarter of 2024, the 2021-based IRF market basket update was forecasted to be 3.4 percent for FY 2026, reflecting forecasted compensation price growth of 3.6 percent. We also note that when developing its forecast for labor prices, IGI considers overall labor market conditions (including rise in contract labor employment due to tight labor market conditions) as well as trends in contract labor wages, which both have an impact on wage pressures for workers employed directly by the hospital.

As is our general practice, in the FY 2026 IRF PPS proposed rule, we proposed that if more recent data became available, we would use such data, if appropriate, to derive the final FY 2026 IRF market basket update for the final rule. For this final rule, we now have an updated forecast of the price proxies underlying the market basket that incorporates more recent historical data and reflects a revised outlook regarding the U.S. economy and expected price inflation for FY 2026. Based on IGI's second quarter 2025 forecast with historical data through the first quarter of 2025, we are projecting a FY 2026 IRF market basket percentage increase of 3.3 percent (reflecting forecasted compensation price growth of 3.4 percent). Based on IGI's second quarter 2025 forecast, we are also projecting a productivity adjustment of 0.7 percentage point. Therefore, for FY 2026 a final IRF productivity-adjusted market basket update of 2.6 percent (3.3 percent less 0.7 percentage point) will be applicable, this update is unchanged from the proposed IRF market basket update of 2.6 percent. We note that the final FY 2026 IRF market basket increase is slightly lower than in the proposed rule (by 0.1 percentage point) reflecting economic uncertainty. Additionally, the expectation for slower economic growth contributes to a slightly lower productivity adjustment for FY 2026.

CMS understands that the market basket updates may differ from other overall inflation indexes such as the topline CPI; however, we would reiterate that these topline indexes are not comparable since they measure different mixes of products, services, or wages than the IRF market basket. Additionally, the market basket updates appropriately differ from other payment updates (such as projected increase in the average per capita payments to Medicare Advantage organizations) that are not consistent in concept with the statutory requirement as they would reflect anticipated volume and intensity of services.

Regarding whether IRF PPS payments are adequate to cover costs, MedPAC's analysis and recommendations as published in MedPAC's March 2025 [5] Report to Congress concluded that Medicare's current payment rates for IRFs are more than adequate based on aggregate Medicare margins above 13 percent since 2015. With respect to the commenters' concern about payments to non-profits, MedPAC acknowledged that margins continued to vary widely across types of IRFs, with higher margins in IRFs that were freestanding, for profit, urban, larger, and with a greater share of FFS Medicare days.

We do not have statutory authority to vary payment under the IRF PPS according to non-profit status but are continuing to explore changes to the IRF PPS within our regulatory authority, such as alternative approaches to case mix groups (replacing the hospital-specific relative value weighting with average cost weighting), which has been recommended by MedPAC's 2024 *Report to Congress*.[6]

Finally, we acknowledge the commenter's recommendation that we reexamine the market basket to identify other potential areas for refinement. We will continue to review the IRF market basket, and any future changes will be proposed in rulemaking.

Comment: Several commenters recommended that we not apply the productivity adjustment. One commenter urged CMS to consider its regulatory authority to modify the productivity adjustment or make a PHE- and inflation-related exception in its application for the FY 2026 update. Additionally, one commenter requested a temporary suspension of the productivity adjustment to the IRF market basket due to recent declines in hospital productivity. A commenter asserted an imbalance between economy-wide productivity measures and IRF-specific productivity changes, encouraging CMS to explore all available avenues within the agency's existing authority to provide additional financial relief for IRFs. Other commenters requested that CMS carefully monitor the impact of these productivity adjustments on the rehabilitation hospital sector, provide feedback to Congress as appropriate, and reduce the productivity adjustment.

Response: Section 1886(j)(3)(C)(ii)(I) of the Act requires the application of the productivity adjustment, described in section 1886(b)(3)(B)(xi)(II), to the IRF PPS market basket increase factor. As required by statute, the FY 2026 productivity adjustment is derived based on the 10-year moving average growth in economy-wide, private nonfarm business total factor productivity for the period ending FY 2026. We recognize the concerns of the commenters regarding the appropriateness of the productivity adjustment; however, as we explained in response to similar comments in the

[5] *https://www.medpac.gov/wp-content/uploads/2025/03/Mar25_MedPAC_ReportToCongress_SEC.pdf.*

[6] *https://www.medpac.gov/document/march-2024-report-to-the-congress-medicare-payment-policy.*

FY 2023, FY 2024 and FY 2025 IRF PPS final rules, we are required under section 1886(j)(3)(C)(ii)(I) of the Act to apply the specific productivity adjustment described here.

We have always made available on the CMS website the general method for calculating the productivity adjustment. This includes providing a link (*http://www.bls.gov/productivity/*) to the most recent BLS historical TFP data, which allows interested parties to obtain historical TFP annual index levels for 1987 through 2024. We also provided the IGI projection model (*https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/medicareprogramratesstats/downloads/tfp_methodology.pdf*), which is used to derive annual TFP growth rates for 2025 and 2026. The annual index level derived from this method is then interpolated to quarterly levels, and the FY 2026 productivity adjustment is equal to the percent change in the 40-quarter moving average projected level for the period ending September 30, 2026, relative to the 40-quarter moving average projected level for the period ending September 30, 2025. We believe our methodology for the productivity adjustment is consistent with section 1886(b)(3)(B)(xi)(II) of the Act, which states that the productivity adjustment is equal to the 10-year moving average of changes in annual economy-wide private nonfarm business multi-factor productivity (as projected by the Secretary for the 10-year period ending with the applicable fiscal year, year, cost reporting period, or other annual period).

At the time of this final rule, the FY 2026 productivity adjustment reflects BLS historical TFP data through 2024 (released on March 21, 2025) and IGI's forecasted TFP growth for 2025 and 2026. The average annual growth rate of historical TFP published by BLS for 2017 through 2024 is currently 0.9 percent and IGI is projecting average TFP growth of about 0.0 percent for 2025 and 2026 based on IGI's second-quarter 2025 forecast. Combining the historical and projected TFP data over the entire 10-year time period results in a compound annual growth rate of TFP of 0.7 percent for 2026. The productivity adjustment (based on the 10-year period ending with FY 2026) for the FY 2026 IRF final rule is 0.1 percentage point lower than in the FY 2026 IRF proposed rule and primarily reflects the incorporation of a revised outlook from IGI that has lower projected economic growth over 2025 and 2026. The 0.7 percent productivity adjustment in the FY 2026 final rule is larger than the productivity adjustment in prior final rules for FY 2023 and 2024 mainly due to the incorporation of updated BLS historical data.

In response to commenters' concerns about the productivity adjustment only being applied if it reduces the payment update, we note that the productivity adjustment was established under the Affordable Care Act with a specific policy intent to encourage efficiency improvements in healthcare delivery by linking Medicare payment updates to economy-wide productivity gains. The statutory language in section 1886(j)(3)(C)(ii) of the Act requires that the Secretary reduce (not increase) the market basket percentage increase by changes in economy-wide productivity, therefore, only positive productivity adjustments are applied.

Comment: Many commenters have noted concerns about CMS's estimation of the IRF market basket updates since the COVID–19 pandemic, stating that it has resulted in underpayments to IRF providers. Organizations report cumulative underpayments between 3.5 to 4.6 percentage points for fiscal years 2021 to 2024, with an annual financial impact of approximately $450 million, highlighting discrepancies between forecasted and actual market basket rates. Commenters suggest that CMS address these forecast errors as it does in the Skilled Nursing Facility (SNF) Prospective Payment System and recommend extending this approach to IRFs. Most organizations are requesting a retrospective adjustment of 3.5 to 4.6 percentage points for FY 2026, along with policy changes for ongoing forecast error correction mechanisms like the SNF PPS.

Concerns have been raised about the IGI forecasting methodology, which is perceived to lean towards under-forecasting in the post-pandemic environment. Commenters highlight that inadequate reimbursement may affect patient access to rehabilitation services and challenge the long-term stability of IRF providers, potentially causing care disruptions. According to the commenters, without correction, these forecast errors become embedded in future payment rates, widening the gap between actual costs and reimbursement. The consensus among commenting organizations is that CMS should implement a one-time market basket adjustment for FY 2026 to account for the cumulative underpayments due to market basket forecast errors from recent years and establish mechanisms to prevent similar issues in the future. Commenters assert that CMS has the statutory and regulatory authority to make these adjustments, given the precedent set in the SNF payment system and the agency's general authority over market basket calculations.

Response: The IRF market basket updates are set prospectively, which means that the update relies on a mix of both historical data for part of the period for which the update is calculated and forecasted data for the remainder. For instance, the FY 2026 market basket update in this final rule reflects historical data through the first quarter of CY 2025 and forecasted data through the third quarter of CY 2026.

The forecast error has been both positive and negative during past years, and over longer periods of time the cumulative forecast has not deviated significantly from the historical measures. Only considering the forecast error for years when the IRF market basket update was lower than the actual market basket update would not fully account for forecast error. After careful consideration of public comments, we are finalizing a FY 2026 IRF productivity-adjusted market basket increase of 2.6 percent based on the most recent data available. This reflects a 3.3 percent market basket percentage increase, less the 0.7 percentage point productivity adjustment required by law.

C. Labor-Related Share for FY 2026

Section 1886(j)(6) of the Act specifies that the Secretary is to adjust the proportion (as estimated by the Secretary from time to time) of IRFs' costs that are attributable to wages and wage-related costs, of the prospective payment rates computed under section 1886(j)(3) of the Act, for area differences in wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the rehabilitation facility compared to the national average wage level for such facilities. The labor-related share is determined by identifying the national average proportion of total costs that are related to, influenced by, or vary with the local labor market. We proposed to continue to classify a cost category as labor-related if the costs are labor-intensive and vary with the local labor market.

Based on our definition of the labor-related share and the cost categories in the 2021-based IRF market basket, we proposed to calculate the labor-related share for FY 2026 as the sum of the FY 2026 relative importance of Wages and Salaries, Employee Benefits, Professional Fees: Labor-Related, Administrative and Facilities Support Services, Installation, Maintenance, and Repair Services, All Other: Labor-

Related Services, and a portion of the Capital-Related relative importance from the 2021-based IRF market basket. For more details regarding the methodology for determining specific cost categories for inclusion in the 2021-based IRF labor-related share, see the FY 2024 IRF PPS final rule (88 FR 50985 through 50988).

The relative importance reflects the different rates of price change for these cost categories between the base year (2021) and FY 2026. We calculate the labor-related relative importance from the IRF market basket, and it approximates the labor-related portion of the total costs after taking into account historical and projected price changes between the base year and FY 2026. The price proxies that move the different cost categories in the market basket do not necessarily change at the same rate, and the relative importance captures these changes. Based on IGI's fourth quarter 2024 forecast of the 2021-based IRF market basket, the sum of the FY 2026 relative importance for Wages and Salaries, Employee Benefits, Professional Fees: Labor-Related, Administrative and Facilities Support Services, Installation Maintenance & Repair Services, and All Other: Labor-Related Services was 70.8 percent. We proposed that the portion of Capital-Related costs that are influenced by the local labor market is 46 percent. Since the relative importance for Capital-Related costs was 8.1 percent of the 2021-based IRF market basket for FY 2026, we proposed to take 46 percent of 8.1 percent to determine the labor-related share of Capital-Related costs for FY 2026 of 3.7 percent. Therefore, we proposed a total labor-related share for FY 2026 of 74.5 percent (the sum of 70.8 percent for the proposed labor-related share of operating costs and 3.7 percent for the proposed labor-related share of Capital-Related costs). We also proposed that if more recent data subsequently became available after publication of the proposed rule and before the publication of this final rule (for example, a more recent estimate of the labor-related share), we would use such data, if appropriate, to determine the FY 2026 IRF labor-related share in this final rule.

Based on IGI's second quarter 2025 forecast for the 2021-based IRF market basket, the sum of the FY 2026 relative importance for Wages and Salaries, Employee Benefits, Professional Fees: Labor-related, Administrative and Facilities Support Services, Installation Maintenance & Repair Services, and All Other: Labor-Related Services is 70.7 percent. The portion of Capital-Related costs that is influenced by the local labor market is estimated to be 46 percent, which is the same percentage applied to the 2016-based IRF market basket (84 FR 39088 through 39089). Since the relative importance for Capital is 8.1 percent of the 2021-based IRF market basket in FY 2026, we took 46 percent of 8.1 percent to determine the labor-related share of Capital-Related costs for FY 2026 of 3.7 percent. Therefore, the total labor-related share for FY 2026 based on more recent data is 74.4 percent (the sum of 70.7 percent for the operating costs and 3.7 percent).

We invited public comments on the proposed labor-related share for FY 2026.

The following is a summary of the public comments received and our responses.

Comment: One commenter stated that the proposed 0.1 percent increase to the labor-related share is inadequate in the context of the current economic climate of rising labor costs, inflationary pressures, and workforce shortages. The commenter respectfully requests that CMS reconsider the proposed labor-related share allocations to ensure they more accurately reflect the increased resource requirements necessary to maintain compliance and sustain high-quality patient care.

Response: We proposed to use the FY 2026 relative importance values for the labor-related cost categories from the 2021-based IRF market basket because it accounts for more recent data regarding price pressures and cost structure of IRFs. This methodology is consistent with the determination of the labor-related share since the implementation of the IRF PPS. As stated in the FY 2026 IRF proposed rule, we also proposed that if more recent data became available, we would use such data, if appropriate, to determine the FY 2026 labor-related share for the final rule. Based on IGI's second quarter 2025 forecast with historical data through the first quarter of 2025, the FY 2026 labor-related share for the final rule is 74.4 percent, reflecting expectations of a slight softening of the labor market cost pressures since the proposed rule forecast. We note the FY 2026 labor-related share is unchanged from the FY 2025 labor-related share. After consideration of the public comments we received, we are finalizing a FY 2026 labor-related share of 74.4 percent.

Table 4 shows the estimate of the FY 2026 labor-related share and the FY 2025 final labor-related share using the 2021-based IRF market basket relative importance.

TABLE 4—FY 2026 IRF LABOR-RELATED SHARE AND FY 2025 IRF LABOR-RELATED-SHARE

	FY 2026 labor-related share [1]	FY 2025 final labor-related share [2]
Wages and Salaries	49.4	49.4
Employee Benefits	11.8	11.8
Professional Fees: Labor-Related [3]	5.5	5.5
Administrative and Facilities Support Services	0.7	0.7
Installation, Maintenance, and Repair Services	1.5	1.5
All Other: Labor-Related Services	1.8	1.8
Subtotal	70.7	70.7
Labor-related portion of Capital-Related (46%)	3.7	3.7
Total Labor-Related Share	74.4	74.4

[1] Based on the 2021-based IRF market basket relative importance, IGI's 2nd quarter 2025 forecast.
[2] Based on the 2021-based IRF market basket relative importance as published in the **Federal Register** (89 FR 64276).
[3] Includes all contract advertising and marketing costs and a portion of accounting, architectural, engineering, legal, management consulting, and home office contract labor costs.

D. Wage Adjustment for FY 2026

1. Background

Section 1886(j)(6) of the Act requires the Secretary to adjust the proportion of rehabilitation facilities' costs attributable to wages and wage-related costs (as estimated by the Secretary from time to time) by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the rehabilitation facility compared to the national average wage level for those facilities. The Secretary is required to update the IRF PPS wage index on the basis of information available to the Secretary on the wages and wage-related costs to furnish rehabilitation services. Any adjustments or updates made under section 1886(j)(6) of the Act for a FY are made in a budget-neutral manner.

In the FY 2023 IRF PPS final rule (87 FR 47054 through 47056) we finalized a policy to apply a 5-percent cap on any decrease to a provider's wage index from its wage index in the prior year, regardless of the circumstances causing the decline. We amended IRF PPS regulations at § 412.624(e)(1)(ii) to reflect this permanent cap on wage index decreases. Additionally, we finalized a policy that a new IRF would be paid the wage index for the area in which it is geographically located for its first full or partial FY with no cap applied because a new IRF would not have a wage index in the prior FY. A full discussion of the adoption of this policy is found in the FY 2023 IRF PPS final rule.

For FY 2026, we proposed to maintain the policies and methodologies described in the FY 2025 IRF PPS final rule (89 FR 64276) related to the labor market area definitions and the wage index methodology for areas with wage data. Thus, we use the core based statistical areas (CBSAs) labor market area definitions and the FY 2026 pre-reclassification and pre-floor hospital wage index data. In accordance with section 1886(d)(3)(E) of the Act, the FY 2026 pre-reclassification and pre-floor hospital wage index is based on data submitted for hospital cost reporting periods beginning on or after October 1, 2021, and before October 1, 2022 (that is, FY 2022 cost report data).

In addition, we will continue to use the same methodology discussed in the FY 2008 IRF PPS final rule (72 FR 44299) to address those geographic areas in which there are no hospitals and, thus, no hospital wage index data on which to base the calculation for the FY 2026 IRF PPS wage index. For FY 2026, the only rural area without wage index data available is in North Dakota. For urban areas without specific hospital wage index data, we will continue using the average wage indexes of all urban areas within the State to serve as a reasonable proxy for the wage index of that urban CBSA as proposed and finalized in FY 2006 (70 FR 47927). For FY 2026, the only urban area without wage index data available is CBSA 25980, Hinesville Fort Stewart, Georgia.

We invited public comments on our proposals regarding the Wage Adjustment for FY 2026.

The following is a summary of the public comments received and our responses on the proposed revisions to the Wage Adjustment for FY 2026.

Comment: Many commenters supported the existing 5 percent wage index cap and expressed appreciation of having a policy to cap and phase in the wage index changes that a provider can experience in a given year. One commenter expressed frustration that the wage index values of the hospitals subject to the cap differ from the currently published tables and urged CMS to release wage index tables in the final rule that incorporates the cap on Core Based Statistical Areas (CBSAs) that meet the 5 percent decrease criteria.

Response: We appreciate the commenters' support of the permanent cap on wage index decreases. We realize that the 5-percent cap on annual decreases in the wage index values does not entirely eliminate the effects of annual changes in the wage index, but we believe that it does substantially reduce the financial impact on IRFs of these annual changes. The wage index tables for IRF PPS are provided at the CBSA level. The 5-percent cap policy is applied at the provider level. Hence, when the 5-percent cap is applicable, each IRF should work directly with its Medicare Administrative Contractor (MAC) to understand how the 5-percent cap is applied. MACs have more detailed information about the location of each IRF and the applicability of the 5-percent cap to each IRFs situation, and CMS has provided careful instructions to the MACs on applying the 5-percent cap policy (see publication 100–04 Medicare Claims Processing Manual, Chapter 3).

Comment: Multiple commenters urged CMS to refine the wage index calculations to create parity across provider types in the same market areas. They expressed concern over the use of the pre-classification and pre-floor IPPS wage index. They noted that since IPPS hospitals can reclassify their wage indices, acute care hospitals across the country are receiving wage index increases higher than would be assigned their Core Based Statistical Areas (CBSAs). One commenter also voiced concerns that IPPS hospitals that have benefited from IPPS-specific geographic reclassification or other wage adjustments no longer put the same resources into the completion of Occupational Mix Surveys. One commenter highlighted rural and low-wage index IRFs are particularly disadvantaged by the use of the pre-floor IPPS wage index.

Another commenter noted IRF distinct part units (DPUs) are particularly impacted by this and urged CMS to leverage existing data to evaluate the policy change using the CMS Form 2552–96, Worksheet S–3, which captures ''excluded area'' salaries and wage-related costs. They urged CMS to also reconsider its policy on the out-migration adjustment application to IRF DPUs as they noted they face the same challenges in the marketplace as IPPS hospitals. Another commenter suggested that CMS utilize more up to date cost reports to calculate the IRF PPS wage index.

Response: We appreciate the commenters' suggestion to adopt the IPPS post-classification and post-floor hospital IPPS wage index and other IPPS wage index adjustments for the IRF wage index. We also acknowledge and appreciate the commenters' concerns regarding competition for labor resulting from different applicable wage index policies across different settings of care. While we and other interested parties have explored potential alternatives to the current wage index system in the past, we are not considering a replacement system at this time. These concerns will be taken into consideration while we continue to explore future potential wage index reforms and monitor IRF wage index policies using the most up to date information.

As most recently discussed in the FY 2025 IRF PPS final rule (89 FR 64276), we would like to note that the IRF wage index is derived from IPPS wage data, that is, the pre-reclassification and pre-floor hospital wage index discussed in section VI. of this final rule. As such, any effects of this policy on the wage data of IPPS hospitals would be extended to the IRF setting, as this data would be used to establish the wage index for IRFs in the future. We note that IPPS wage index values are based on historical data and typically lag by 4 years.

As stated in prior years, as we do not have an IRF-specific wage index, we are unable to determine the degree, if any, to which these IPPS policies under the IRF PPS would be appropriate. However, we acknowledge that

commenters have suggested that such data may be available in CMS Form 2552–96, Worksheet S–3 and will take this into consideration. Data pertaining to any IPPS policies that are applied to the pre-reclassification/pre-floor wage index is available in the FY 2025 IRF PPS FR (89 FR 64276). A full history of the IRF PPS rules is available on the CMS website at *https://www.cms.gov/files/document/irf-regulatory-and-legislative-history.pdf.*

After consideration of the comments we received, we are finalizing our proposals regarding the wage adjustment for FY 2026.

2. Core-Based Statistical Areas (CBSAs) for the FY 2026 IRF Wage Index

The wage index used for the IRF PPS is calculated using the pre-reclassification and pre-floor hospital wage index data and is assigned to the IRF on the basis of the labor market area in which the IRF is geographically located. IRF labor market areas are delineated based on the CBSAs established by the OMB. The CBSA delineations (which were implemented for the IRF PPS beginning with FY 2016) are based on revised OMB delineations issued on February 28, 2013, in OMB Bulletin No. 13–01. OMB Bulletin No. 13–01 established- revised delineations for Metropolitan Statistical Areas, Micropolitan Statistical Areas, and Combined Statistical Areas in the United States and Puerto Rico based on the 2010 Census and provided guidance on the use of the delineations of these statistical areas using standards published in the June 28, 2010, **Federal Register** (75 FR 37246 through 37252). We refer readers to the FY 2016 IRF PPS final rule (80 FR 47068 through 47076) for a full discussion of our implementation of the OMB labor market area delineations beginning with the FY 2016 wage index.

Generally, OMB issues major revisions to statistical areas every 10 years, based on the results of the decennial census. Additionally, OMB occasionally issues updates and revisions to the statistical areas in between decennial censuses to reflect the recognition of new areas or the addition of counties to existing areas. In some instances, these updates merge formerly separate areas, transfer components of an area from one area to another or drop components from an area. On July 15, 2015, OMB issued OMB Bulletin No. 15–01, which provides minor updates to and supersedes OMB Bulletin No. 13–01 that was issued on February 28, 2013. The attachment to OMB Bulletin No. 15–01 provides detailed information on the update to statistical areas since February 28, 2013. The updates provided in OMB Bulletin No. 15–01 are based on the application of the 2010 Standards for Delineating Metropolitan and Micropolitan Statistical Areas to Census Bureau population estimates for July 1, 2012, and July 1, 2013.

In the FY 2018 IRF PPS final rule (82 FR 36250 through 36251), we adopted the updates set forth in OMB Bulletin No. 15–01 effective October 1, 2017, beginning with the FY 2018 IRF wage index. For a complete discussion of the adoption of the updates set forth in OMB Bulletin No. 15–01, we refer readers to the FY 2018 IRF PPS final rule. In the FY 2019 IRF PPS final rule (83 FR 38527), we continued to use the OMB delineations that were adopted beginning with FY 2016 to calculate the area wage indexes, with updates set forth in OMB Bulletin No. 15–01 that we adopted beginning with the FY 2018 wage index.

On August 15, 2017, OMB issued OMB Bulletin No. 17–01, which provided updates to and superseded OMB Bulletin No. 15–01 that was issued on July 15, 2015. The attachments to OMB Bulletin No. 17–01 provide detailed information on the update to statistical areas since July 15, 2015, and are based on the application of the 2010 Standards for Delineating Metropolitan and Micropolitan Statistical Areas to Census Bureau population estimates for July 1, 2014, and July 1, 2015. In the FY 2020 IRF PPS final rule (84 FR 39090 through 39091), we adopted the updates set forth in OMB Bulletin No. 17–01 effective October 1, 2019, beginning with the FY 2020 IRF wage index.

On April 10, 2018, OMB issued OMB Bulletin No. 18–03, which superseded the August 15, 2017, OMB Bulletin No. 17–01, and on September 14, 2018, OMB issued OMB Bulletin No. 18–04, which superseded the April 10, 2018 OMB Bulletin No. 18–03. These bulletins established revised delineations for Metropolitan Statistical Areas, Micropolitan Statistical Areas, and Combined Statistical Areas, and provided guidance on the use of the delineations of these statistical areas. A copy of this bulletin may be obtained at *https://www.whitehouse.gov/wp-content/uploads/2018/09/Bulletin-18-04.pdf.*

To this end, as discussed in the FY 2021 IRF PPS proposed (85 FR 22075 through 22079) and final (85 FR 48434 through 48440) rules, we adopted the revised OMB delineations identified in OMB Bulletin No. 1804 (available at *https://www.whitehouse.gov/wp-content/uploads/2018/09/Bulletin-18-04.pdf*) beginning October 1, 2020, including a 1 year transition for FY 2021 under which we applied a 5-percent cap on any decrease in an IRF's wage index compared to its wage index for the prior fiscal year (FY 2020). The updated OMB delineations more accurately reflect the contemporary urban and rural nature of areas across the country, and the use of such delineations allows us to determine more accurately the appropriate wage index and rate tables to apply under the IRF PPS. OMB issued further revised CBSA delineations in OMB Bulletin No. 20–01, on March 6, 2020 (available on the web at *https://www.whitehouse.gov/wp-content/uploads/2020/03/Bulletin-20-01.pdf*). However, we determined that the changes in OMB Bulletin No. 20–01 do not impact the CBSA-based labor market area delineations adopted in FY 2021. Therefore, we did not propose to adopt the revised OMB delineations identified in OMB Bulletin No. 20–01 for FY 2022 through FY 2024.

On July 21, 2023, OMB issued OMB Bulletin No. 23–01 (available at *https://www.whitehouse.gov/wp-content/uploads/2023/07/OMB-Bulletin-23-01.pdf*) which updates and supersedes OMB Bulletin No. 20–01 based upon the 2020 Standards for Delineating Core Based Statistical Areas (''the 2020 Standards'') published by OMB on July 16, 2021 (86 FR 37770). OMB Bulletin No. 23–01 revised CBSA delineations that are comprised of counties and equivalent entities (for example, boroughs; a city and borough; and a municipality in Alaska; planning regions in Connecticut; parishes in Louisiana; municipios in Puerto Rico; and independent cities in Maryland, Missouri, Nevada, and Virginia). As discussed in the FY 2025 IRF PPS final rule (89 FR 64291 through 64304), we adopted the revised OMB delineations identified in OMB Bulletin No. 23–01.

3. Second Year of the 3-Year Phase Out of the Rural Adjustment

For FY 2026, CMS is continuing the 3-year budget-neutral phase-out of the rural adjustment for FY 2024 IRFs transitioning from rural to urban status in FY 2025 under the revised CBSA delineations. As stated in the FY 2025 IRF PPS final rule (89 FR 64276), the purpose of this gradual phase-out of the rural adjustment for these facilities is to reduce the potential negative financial impacts associated with this reclassification. In FY 2026, the second year of this phase-out, affected IRFs will receive the full FY 2026 wage index along with one-third of the FY 2024 rural adjustment. This step is part of a gradual reduction of the 14.9 percent rural adjustment over three fiscal years

-FYs 2025, 2026, and 2027. Furthermore, this policy does not apply to urban IRFs transitioning to rural status, as they will receive the full rural adjustment.

The following is a summary of the public comments received and our responses on the proposal regarding the second year of the 3-year phase out of the rural adjustment.

Comment: Public comments supported the phase-out policy for IRFs being reclassified from rural to urban CBSAs. Commenters expressed that this phase-out policy for loss of the rural adjustment is a reasonable way to ensure that no IRF faces a dramatic cut to its reimbursement as a result of the new CBSA delineation. One commenter urged CMS to evaluate whether the policy disproportionately impacts rural IRFs with more low-income patients.

Response: We appreciate the commenters' feedback on the continued phase out policy for IRFs reclassification from rural to urban CBSAs. We will continue to monitor whether CBSA delineation changes disproportionately impact certain provider populations, such as low-income patients. Separately, the low-income patient (LIP) adjustment will continue to be applied because we did not propose to change the low-income patient adjustment (LIP) policy at § 412.624(e)(2).

After consideration of the comments we received, we are finalizing our proposal to continue the 3-year budget-neutral phase-out of the rural adjustment for FY 2024 IRFs transitioning from rural to urban status in FY 2026 under the revised CBSA delineations.

4. IRF Budget-Neutral Wage Adjustment Factor Methodology

To calculate the wage-adjusted facility payment for the payment rates set forth in this rule, we multiply the unadjusted Federal payment rate for IRFs by the FY 2026 labor-related share based on the 2021-based IRF market basket relative importance (74.4 percent) to determine the labor-related portion of the standard payment amount. (A full discussion of the calculation of the labor-related share appears in section VI of this final rule.) We then multiply the labor-related portion by the applicable IRF wage index. The wage index tables are available on the CMS website at *https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientRehabFacPPS/IRF-Rules-and-Related-Files.html.*

Adjustments or updates to the IRF wage index made under section 1886(j)(6) of the Act must be made in a budget-neutral manner. We calculate a budget-neutral wage adjustment factor as established in the FY 2004 IRF PPS final rule (68 FR 45689) and codified at § 412.624(e)(1), as described in the steps below. We use the listed steps to ensure that the FY 2026 IRF standard payment conversion factor reflects the update to the wage indexes (based on the FY 2022 hospital cost report data) and the update to the labor-related share, in a budget-neutral manner:

Step 1. Calculate the total amount of estimated IRF PPS payments using the labor-related-share and the wage indexes from FY 2025 (as published in the FY 2025 IRF PPS final rule (89 FR 64276)).

Step 2. Calculate the total amount of estimated IRF PPS payments using the FY 2026 wage index values (based on updated hospital wage data and taking into account the permanent 5-percent cap on wage index decreases when applicable) and the FY 2026 labor-related share of 74.4 percent.

Step 3. Divide the amount calculated in Step 1 by the amount calculated in Step 2. The resulting quotient is the proposed FY 2026 budget-neutral wage adjustment factor of 1.0001.

Step 4. Apply the budget neutrality factor from Step 3 to the FY 2026 IRF PPS standard payment amount after the application of the market basket percentage increase to determine the FY 2026 standard payment conversion factor.

We discuss the calculation of the standard payment conversion factor for FY 2026 in section VI.E. of this final rule.

We invited public comments on our proposals regarding the Wage Adjustment for FY 2026.

The following is a summary of the public comments received and our responses to the proposed revisions to the Wage Adjustment for FY 2026:

Comment: Several commenters specified that the wage index cap policy should be implemented without applying a budget neutrality adjustment.

Response: We do not believe that the permanent 5-percent cap policy for the IRF wage index should be applied in a non-budget-neutral manner. The statute at section 1886(j)(6) of the Act requires that adjustments for geographic variations in labor costs for a FY be made in a budget-neutral manner. We refer readers to the FY 2023 IRF PPS final rule (87 FR 47054 through 47056) for a detailed discussion on the wage index cap policy.

After consideration of the comments we received, we are finalizing our proposals regarding the IRF budget neutral wage adjustment factor methodology for FY 2026 without modification.

E. Description of the IRF Standard Payment Conversion Factor Methodology and Payment Rates for FY 2026

To calculate the IRF standard payment conversion factor for FY 2026, as illustrated in Table 5, we begin by applying the IRF market basket update for FY 2026, as adjusted in accordance with sections 1886(j)(3)(C) of the Act, to the standard payment conversion factor for FY 2025 ($18,907). Applying the 2.6 percent IRF market basket update for FY 2026 to the standard payment conversion factor for FY 2025 of $18,907 yields a FY 2026 standard payment amount of $19,399. Then, we apply the budget neutrality factor for the FY 2026 wage index (taking into account the policy placing a permanent 5-percent cap on decreases to a provider's wage index), and labor-related share of 1.0001, which results in an IRF standard payment amount of $19,401. We next apply the budget neutrality factor for the CMG relative weights of 0.9985, which results in the IRF standard payment conversion factor of $19,371 for FY 2026.

We received no comments on the proposed FY 2026 IRF standard payment conversion factor methodology and are finalizing the FY 2026 IRF standard payment conversion factor methodology as proposed.

TABLE 5—CALCULATIONS TO DETERMINE THE FY 2026 IRF STANDARD PAYMENT CONVERSION FACTOR

Explanation for adjustment	Calculations
FY 2025 IRF Standard Payment Conversion Factor	$18,907
Market Basket Update for FY 2026 of 2.6 percent*	× 1.026
Budget Neutrality Factor for the Updates to the Wage Index and Labor-Related Share	× 1.0001
Budget Neutrality Factor for the Revisions to the CMG Relative Weights	× 0.9985

TABLE 5—CALCULATIONS TO DETERMINE THE FY 2026 IRF STANDARD PAYMENT CONVERSION FACTOR—Continued

Explanation for adjustment	Calculations
FY 2026 Standard Payment Conversion Factor	= $19,371

* Reflects a FY 2026 3.3 percent IRF market basket percentage increase reduced by 0.7 percentage point for the productivity adjustment as required by section 1886(j)(3)(C)(ii)(I) of the Act.

We then apply the CMG relative weights described in section V.E of this rule to the FY 2026 standard payment conversion factor ($19,371), to determine the unadjusted IRF prospective payment rates for FY 2026. The unadjusted IRF prospective payment rates for FY 2026 are shown in Table 6.

TABLE 6—FY 2026 IRF PPS PAYMENT RATES

CMG	Payment rate Tier 1	Payment rate Tier 2	Payment rate Tier 3	Payment rate no comorbidity
0101	$18,729.82	$16,631.94	$15,068.70	$14,293.86
0102	23,837.95	21,168.63	19,179.23	18,193.24
0103	30,602.31	27,175.58	24,620.54	23,353.68
0104	39,084.87	34,708.96	31,446.88	29,827.47
0105	48,710.32	43,255.44	39,189.47	37,172.95
0106	54,868.36	48,723.88	44,144.57	41,872.35
0201	20,560.38	16,349.12	14,935.04	14,032.35
0202	26,850.14	21,348.78	19,504.66	18,324.97
0203	33,382.04	26,542.14	24,248.62	22,782.23
0204	41,142.07	32,711.81	29,885.58	28,078.26
0205	52,782.10	41,967.27	38,341.02	36,022.31
0301	23,127.04	18,328.84	17,089.10	15,998.51
0302	29,918.51	23,712.04	22,106.19	20,694.04
0303	35,375.32	28,037.59	26,139.23	24,471.38
0304	41,909.16	33,215.45	30,964.54	28,988.70
0305	45,907.33	36,384.55	33,920.56	31,754.88
0401	26,243.83	21,451.45	20,887.75	18,900.28
0402	32,901.64	26,892.76	26,185.72	23,694.61
0403	37,974.91	31,040.09	30,222.63	27,347.98
0404	61,531.98	50,294.86	48,971.83	44,315.04
0405	48,739.37	39,838.40	38,790.43	35,102.19
0406	64,118.01	52,408.24	51,029.03	46,176.59
0407	87,804.87	71,769.56	69,880.88	63,234.69
0501	25,356.64	19,487.23	18,129.32	16,707.49
0502	31,479.81	24,192.44	22,505.23	20,740.53
0503	35,646.51	27,394.47	25,484.49	23,485.40
0504	42,594.89	32,733.12	30,451.21	28,062.77
0505	60,518.88	46,507.83	43,267.07	39,873.27
0601	25,366.32	19,212.16	18,094.45	16,252.27
0602	31,553.42	23,898.00	22,507.16	20,217.51
0603	37,521.63	28,417.26	26,764.91	24,041.35
0604	47,455.08	35,939.02	33,850.82	30,404.72
0701	23,766.28	19,001.01	18,046.02	16,490.53
0702	29,376.12	23,487.34	22,305.71	20,384.10
0703	35,987.44	28,773.68	27,328.61	24,973.09
0704	44,437.07	35,530.29	33,744.28	30,834.76
0801	22,820.98	19,219.91	17,180.14	16,097.30
0802	26,011.38	21,908.60	19,582.14	18,348.21
0803	28,626.46	24,111.08	21,552.17	20,192.33
0804	32,520.03	27,390.59	24,483.01	22,939.14
0805	40,504.76	34,114.27	30,493.83	28,570.29
0901	23,990.98	18,171.94	17,166.58	15,659.52
0902	30,476.39	23,084.42	21,805.93	19,894.02
0903	36,165.66	27,392.53	25,875.78	23,607.44
0904	43,549.88	32,986.88	31,160.19	28,426.94
1001	23,805.02	19,779.73	17,953.04	16,668.75
1002	28,918.97	24,029.73	21,809.81	20,250.44
1003	34,418.39	28,599.34	25,957.14	24,101.40
1004	45,781.42	38,040.77	34,526.87	32,059.01
1101	26,197.34	24,802.63	21,344.90	18,675.58
1102	29,916.57	28,322.34	24,372.59	21,325.53
1103	37,471.26	35,474.11	30,528.70	26,710.67
1201	25,660.76	20,366.67	18,200.99	16,856.64
1202	30,172.27	23,946.43	21,399.14	19,818.47
1203	40,388.54	32,055.13	28,645.83	26,530.52
1204	41,579.85	33,002.37	29,492.35	27,313.11
1301	24,266.05	19,400.06	17,774.83	16,147.67

TABLE 6—FY 2026 IRF PPS PAYMENT RATES—Continued

CMG	Payment rate Tier 1	Payment rate Tier 2	Payment rate Tier 3	Payment rate no comorbidity
1302	29,753.86	23,787.59	21,796.25	19,799.10
1303	34,387.40	27,491.32	25,190.05	22,881.03
1304	44,382.84	35,483.80	32,512.29	29,533.03
1305	44,295.67	35,412.13	32,446.43	29,474.91
1401	21,647.09	17,437.77	16,122.48	14,826.56
1402	27,576.56	22,214.66	20,539.07	18,888.66
1403	33,331.68	26,850.14	24,825.87	22,830.66
1404	41,585.66	33,500.21	30,976.17	28,485.06
1501	25,381.82	20,409.29	19,113.37	18,270.73
1502	31,036.22	24,955.66	23,371.11	22,342.51
1503	36,185.03	29,095.24	27,247.25	26,046.25
1504	45,376.57	36,485.28	34,168.51	32,663.38
1601	20,362.80	18,247.48	16,691.99	15,130.69
1602	24,500.44	21,957.03	20,083.85	18,206.80
1603	29,670.56	26,590.57	24,324.16	22,048.07
1604	38,836.92	34,805.81	31,838.18	28,858.92
1701	25,552.29	20,242.70	18,793.74	17,302.18
1702	31,497.25	24,951.79	23,167.72	21,327.47
1703	36,955.99	29,277.33	27,183.32	25,025.39
1704	42,525.16	33,690.04	31,280.29	28,796.93
1705	49,506.46	39,220.46	36,415.54	33,523.45
1801	21,674.21	17,732.21	16,312.32	15,310.84
1802	27,551.37	22,540.10	20,734.72	19,462.04
1803	34,275.05	28,039.52	25,794.42	24,209.88
1804	40,030.17	32,748.61	30,125.78	28,275.85
1805	48,024.58	39,288.26	36,142.41	33,922.50
1806	69,578.69	56,921.68	52,363.69	49,148.10
1901	25,970.70	18,354.02	15,955.89	15,961.70
1902	37,783.14	26,702.92	23,214.21	23,220.02
1903	53,458.15	37,781.20	32,845.47	32,853.22
1904	82,202.78	58,095.57	50,504.07	50,519.57
2001	23,020.50	18,462.50	17,170.45	15,717.63
2002	28,581.91	22,921.70	21,315.85	19,514.35
2003	33,562.19	26,916.00	25,031.21	22,915.89
2004	40,932.86	32,826.10	30,528.70	27,946.54
2005	42,844.78	34,360.28	31,954.40	29,252.15
2101	31,111.76	26,156.66	19,725.49	18,915.78
2102	49,301.13	41,448.13	31,257.05	29,974.69
5001	.....	.....	.....	3,399.61
5101	.....	.....	.....	16,540.90
5102	.....	.....	.....	39,681.49
5103	.....	.....	.....	17,662.48
5104	.....	.....	.....	42,385.69

F. Example of the Methodology for Adjusting the Prospective Payment Rates

Table 7 illustrates the methodology for adjusting the prospective payments (as described in section V of this final rule). The following examples are based on two hypothetical Medicare beneficiaries, both classified as CMG 0104 (without comorbidities). The unadjusted prospective payment rate for CMG 0104 (without comorbidities) appears in Table 6.

Example: One beneficiary is in Facility A, an IRF located in rural Spencer County, Indiana, and another beneficiary is in Facility B, an IRF located in urban Harrison County, Indiana. Facility A, a rural non-teaching hospital has a Disproportionate Share Hospital (DSH) percentage of 5 percent (which would result in a LIP adjustment of 1.0156), a wage index of 0.8565, and a rural adjustment of 14.9 percent. Facility B, an urban teaching hospital, has a DSH percentage of 15 percent (which would result in a LIP adjustment of 1.0454), a wage index of 0.9145, and a teaching status adjustment of 0.0784.

To calculate each IRF's labor and non-labor portion of the prospective payment, we begin by taking the FY 2026 unadjusted prospective payment rate for CMG 0104 (without comorbidities) from Table 6. Then, we multiply the labor-related share for FY 2026 (74.4 percent) described in section VI of this final rule by the unadjusted prospective payment rate. To determine the non-labor portion of the prospective payment rate, we subtract the labor portion of the Federal payment from the unadjusted prospective payment.

To compute the wage-adjusted prospective payment, we multiply the labor portion of the Federal payment by the appropriate wage index located in the applicable wage index table. This table is available on the CMS website at *https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientRehabFacPPS/IRF-Rules-and-Related-Files.html.*

The resulting figure is the wage-adjusted labor amount. Next, we compute the wage-adjusted Federal payment by adding the wage-adjusted labor amount to the non-labor portion of the Federal payment.

Adjusting the wage-adjusted Federal payment by the facility-level adjustments involves several steps. First, we take the wage-adjusted prospective payment and multiply it by the appropriate rural and LIP

adjustments (if applicable). Second, to determine the appropriate amount of additional payment for the teaching status adjustment (if applicable), we multiply the teaching status adjustment (0.0784, in this example) by the wage-adjusted and rural-adjusted amount (if applicable). Finally, we add the additional teaching status payments (if applicable) to the wage, rural, and LIP-adjusted prospective payment rates. Table 7 illustrates the components of the adjusted payment calculation.

TABLE 7—EXAMPLE OF COMPUTING THE FY 2026 IRF PROSPECTIVE PAYMENT

Steps	Rural facility A (Spencer Co., IN)		Urban facility B (Harrison Co., IN)	
1. Unadjusted Payment		$29,827.47		$29,827.47
2. Labor-Related Share	×	0.744	×	0.744
3. Labor Portion of Payment	=	$22,191.64	=	$22,191.64
4. CBSA-Based Wage Index	×	0.8565	×	0.9145
5. Wage-Adjusted Amount	=	$19,007.14	=	$20,294.25
6. Non-Labor Amount	+	$7,635.83	+	$7,635.83
7. Wage-Adjusted Payment	=	$26,642.97	=	$27,930.08
8. Rural Adjustment	×	1.149	×	1.000
9. Wage- and Rural-Adjusted Payment	=	$30,612.77	=	$27,930.08
10. LIP Adjustment	×	1.0156	×	1.0454
11. Wage-, Rural- and LIP-Adjusted Payment	=	$31,090.33	=	$29,198.11
12. Wage- and Rural-Adjusted Payment		$30,612.77		$27,930.08
13. Teaching Status Adjustment	×	0	×	0.0784
14. Teaching Status Adjustment Amount	=	$0.00	=	$2,189.72
15. Wage-, Rural-, and LIP-Adjusted Payment	+	$31,090.33	+	$29,198.11
16. Total Adjusted Payment	=	$31,090.33	=	$31,387.83

Thus, the adjusted payment for Facility A would be $31,090.33 and the adjusted payment for Facility B would be $31,387.83.

VII. Update to Payments for High-Cost Outliers Under the IRF PPS for FY 2026

A. Update to the Outlier Threshold Amount for FY 2026

Section 1886(j)(4) of the Act provides the Secretary with the authority to make payments in addition to the basic IRF prospective payments for cases incurring extraordinarily high costs. A case qualifies for an outlier payment if the estimated cost of the case exceeds the adjusted outlier threshold. We calculate the adjusted outlier threshold by adding the IRF PPS payment for the case (that is, the CMG payment adjusted by all of the relevant facility-level adjustments) and the adjusted threshold amount (also adjusted by all of the relevant facility-level adjustments). Then, we calculate the estimated cost of a case by multiplying the IRF's overall Cost-to-Charge Ratio (CCR) by the Medicare allowable covered charge. If the estimated cost of the case is higher than the adjusted outlier threshold, we make an outlier payment for the case equal to 80 percent of the difference between the estimated cost of the case and the outlier threshold.

In the FY 2002 IRF PPS final rule (66 FR 41362 through 41363), we discussed our rationale for setting the outlier threshold amount for the IRF PPS so that estimated outlier payments would equal 3 percent of total estimated payments. For the FY 2002 IRF PPS final rule, we analyzed various outlier policies using 3, 4, and 5 percent of the total estimated payments, and we concluded that an outlier policy set at 3 percent of total estimated payments would optimize the extent to which we could reduce the financial risk to IRFs of caring for high- cost patients, while still providing for adequate payments for all other (non-high cost outlier) cases.

Subsequently, we updated the IRF outlier threshold amount in the FYs 2006 through 2025 IRF PPS final rules and the FY 2011 and FY 2013 notices (70 FR 47880, 71 FR 48354, 72 FR 44284, 73 FR 46370, 74 FR 39762, 75 FR 42836, 76 FR 47836, 76 FR 59256, 77 FR 44618, 78 FR 47860, 79 FR 45872, 80 FR 47036, 81 FR 52056, 82 FR 36238, 83 FR 38514, 84 FR 39054, 85 FR 48444, 86 FR 42362, 87 FR 47038, 88 FR 50956, and 89 FR 64276 respectively) to maintain estimated outlier payments at 3 percent of total estimated payments. We also stated in the FY 2009 final rule (73 FR 46370 through 46385) that we would continue to analyze the estimated outlier payments for subsequent years and adjust the outlier threshold amount as appropriate to maintain the 3 percent target.

To update the IRF outlier threshold amount for FY 2026, we proposed to use FY 2024 claims data and the same methodology that we used to set the initial outlier threshold amount in the FY 2002 IRF PPS final rule (66 FR 41362 through 41363), which is also the same methodology that we used to update the outlier threshold amounts for FYs 2006 through 2025. The outlier threshold is calculated by simulating aggregate payments and using an iterative process to determine a threshold that results in outlier payments being equal to 3 percent of total payments under the simulation. To determine the outlier threshold for FY 2026, we estimated the amount of FY 2026 IRF PPS aggregate and outlier payments using the most recent claims available (FY 2024) and the proposed FY 2026 standard payment conversion factor, labor-related share, and wage indexes, incorporating any applicable budget-neutrality adjustment factors. The outlier threshold is adjusted either up or down in this simulation until the estimated outlier payments equal 3 percent of the estimated aggregate payments. Based on an analysis of the preliminary data used for the proposed rule, we estimated that IRF outlier payments as a percentage of total estimated payments would be approximately 2.8 percent in FY 2025. Therefore, we proposed to update the outlier threshold amount from $12,043 for FY 2025 to $11,971 for FY 2026 to maintain estimated outlier payments at approximately 3 percent of total estimated aggregate IRF payments for FY 2026.

We note that, with our longstanding practice when developing previous IRF PPS fiscal year rules, we update our data between the FY 2026 IRF PPS proposed and final rules to ensure that we use the most recent available data in calculating IRF PPS payments. We are finalizing the outlier threshold amount of $10,062 to maintain estimated outlier

payments at approximately 3 percent of total estimated aggregate IRF payments for FY 2026.

We invited public comment on the proposed update to the IRF outlier threshold for FY 2026.

The following is a summary of the public comments received on our proposed update to the FY 2026 IRF outlier threshold.

Comment: Commenters were supportive of the update to the outlier threshold for FY 2026 and setting outlier payments at 3 percent of total payments. Several commenters advised CMS to continue to monitor its approach due to the ongoing impacts of the PHE and total cost of care. We received one comment urging CMS to consider a 10 percent cap on IRF's outlier payments (as a percentage of total IRF PPS revenues) due to a concern that a small number of IRF providers are receiving large outlier payments despite their case-mix index being similar to average IRFs. The commenter believed that factors other than patient complexity and case-mix may be driving these payments and presented analysis to support their claim that inefficient cost structures, rather than highly complex patients, appear to be driving the distribution of overall IRF outlier payments, potentially resulting in patients at IRFs that warrant an outlier payment not receiving one.

Response: We continue to believe that maintaining the outlier pool at 3 percent of aggregate IRF payments optimizes the extent to which we can reduce financial risk to IRFs of caring for highest-cost patients, while still providing for adequate payments for non-outlier cases. We continue to monitor our approach to assess whether IRFs who treat medically complex patients are adequately compensated.

We acknowledge commenters' concerns that outlier payments may be concentrated among a small subset of providers and may not be consistently targeted towards patients with intensive or complex needs. As most recently discussed in the FY 2025 IRF PPS Final Rule (89 FR 64276), our outlier policy is intended to reimburse IRFs for treating extraordinarily costly cases. We appreciate the commenters' suggestions for additional analysis on our methodology and will take them into consideration as we continue to assess our outlier threshold.

Comment: We received multiple comments that recommended that CMS implement a new methodology to set the outlier fixed loss amount using a 3-year average approach to promote stability in the outlier threshold value and to account for the true cost of care for medically complex patients. One commenter noted this method would be consistent with facility specific adjustments, including teaching, rural, and Low-Income Percentage (LIP). Multiple commenters also suggested that CMS include historical reconciliation dollars in the outlier projection to increase accuracy. Moreover, many commenters expressed concern that outlier payments are being concentrated among an increasingly small number of providers. One commenter suggested that CMS evaluate the variation in outlier spending by provider.

Response: We thank the commenters for their suggestions regarding the outlier threshold. We appreciate the suggestion to modify the outlier threshold methodology to use a 3-year average; however, it has been our long-standing practice to utilize the most recent full fiscal year of data to update the prospective payment rates and determine the outlier threshold amount as this data is generally considered to be the best overall predictor of experience in the upcoming fiscal year. Any future consideration given to imposing a limit on outlier payments or adjusting the outlier threshold to account for historical outlier reconciliation would need to be carefully assessed and take into consideration the effect on access to IRF care for certain high-cost populations. We continue to believe maintaining the outlier pool at 3 percent of aggregate IRF payments optimizes the extent to which we can reduce financial risk to IRFs of caring for highest-cost patients while still providing for adequate payments for other cases. We appreciate the commenters' suggestions for refinements to the outlier methodology as well as the suggested areas of analysis and will take them into consideration as we continue to assess our outlier methodology.

Comment: Multiple commenters suggested CMS reduce the 3 percent outlier pool threshold to a lower percentage which would increase the number of complex patients that qualify for the outlier threshold and provide appropriate compensation to IRFs.

Response: We appreciate the suggestion regarding the outlier threshold methodology. As most recently discussed in the FY 2025 IRF PPS Final Rule (89 FR 64276) our outlier policy is intended to reimburse IRFs for treating extraordinarily costly cases. We continue to believe that maintaining the outlier pool at 3 percent of aggregate IRF payments optimizes the extent to which we can reduce financial risk to IRFs of caring for highest-cost patients, while still providing adequate payments for all other cases. We will continue to examine ways of enhancing the stability and predictability of the outlier threshold from year to year. We appreciate the commenters' suggestion for refinements to the outlier methodology as well as the suggested areas of analysis and will take them into consideration, as we continue to assess our outlier threshold policy to ensure it continues to compensate IRFs' appropriately.

Based on our analysis using this updated data, we estimate that IRF outlier payments as a percentage of total estimated payments are approximately 2.4 percent in FY 2025. Therefore, we will update the outlier threshold amount from $12,043 for FY 2025 to $10,062 for FY 2026 to account for the increases in IRF PPS payments and estimated costs to maintain estimated outlier payments at approximately 3 percent of total aggregate IRF payments for FY 2026. After consideration of the comments received and considering the most recent available data, we are finalizing the outlier threshold amount of $10,062 to maintain estimated outlier payments at approximately 3 percent of total estimated aggregate IRF payments for FY 2026.

B. Update to the IRF Cost-to-Charge Ratio (CCR) Ceiling and Urban/Rural Averages for FY 2026

CCRs are used to adjust charges from Medicare claims to costs and are computed annually from facility-specific data obtained from Medicare Cost Reports (MCRs). IRF-specific CCRs are used in the development of the CMG relative weights and the calculation of outlier payments under the IRF PPS. In accordance with the methodology described in the FY 2004 IRF PPS final rule (68 FR 45692 through 45694), we proposed to apply a ceiling to IRFs' CCRs. Using that methodology, we proposed to update the national urban and rural CCRs for IRFs, as well as the national CCR ceiling for FY 2026, based on analysis of the most recent data available. We apply the national urban and rural CCRs to:

- New IRFs that have not yet submitted their first MCR.
- IRFs with an overall CCR that exceeds the national CCR ceiling for FY 2026, as discussed below in this section.
- Other IRFs for which accurate data to calculate an overall CCR are not available.

Specifically, for FY 2026, we proposed to estimate a national average CCR of 0.467 for rural IRFs, which we calculated by taking an average of the CCRs for all rural IRFs using their most recently submitted cost report data.

Similarly, we proposed to estimate a national average CCR of 0.398 for urban IRFs, which we calculated by taking an average of the CCRs for all urban IRFs using their most recently submitted cost report data. We applied weights to both of these averages using the IRFs' estimated costs, meaning that the CCRs of IRFs with higher total costs factor more heavily into the averages than the CCRs of IRFs with lower total costs. For this final rule, we used the most recent available cost report data (FY 2023). This includes all IRFs whose cost reporting periods begin on or after October 1, 2022, and before October 1, 2023. If, for any IRF, the FY 2023 cost report was missing or had an ''as submitted'' status, we used the most recent FY for which a settled cost report was available (that is, from a FY between FY 2004 and FY 2022) for that IRF. We do not use cost report data from before FY 2004 for any IRF because changes in IRF utilization since FY 2004 resulting from the 60 percent rule and IRF medical review activities suggest that these older data do not adequately reflect the current cost of care. Using updated FY 2023 cost report data for this final rule, we estimate a national average CCR of 0.463 for rural IRFs and a national average CCR of 0.398 for urban IRFs.

In accordance with past practice, we proposed to set the national CCR ceiling at 3 standard deviations above the mean CCR. Using this method, we proposed a national CCR ceiling of 1.54 for FY 2026. This means that, if an individual IRF's CCR were to exceed this ceiling of 1.54 for FY 2026, we will replace the IRF's CCR with the appropriate proposed national average CCR (either rural or urban, depending on the geographic location of the IRF). We calculated the national CCR ceiling by:

Step 1. Taking the national average CCR (weighted by each IRF's total costs, as previously discussed) of all IRFs for which we have sufficient cost report data (both rural and urban IRFs combined).

Step 2. Estimating the standard deviation of the national average CCR computed in Step 1.

Step 3. Multiplying the standard deviation of the national average CCR computed in Step 2 by a factor of 3 to compute a statistically significant reliable ceiling.

Step 4. Adding the result from Step 3 to the national average CCR of all IRFs for which we have sufficient cost report data, from Step 1.

We also proposed that if more recent data become available after the publication of the proposed rule and before the publication of this final rule, we would use such data to determine the FY 2026 national average rural and urban CCRs and the national CCR ceiling in the proposed rule. Using the FY 2023 cost report data for this proposed rule, we estimate a national average CCR ceiling of 1.54, using the same methodology.

We invited public comments on the proposed update to the IRF CCR ceiling and the urban/rural averages for FY 2026 and did not receive any comments. Consistent with the methodology outlined in the proposed rule, and using the most recent cost report data, we are finalizing a national average urban CCR at 0.398, the national average rural CCR at 0.463, and the national average CCR ceiling at 1.54 for FY 2026.

VIII. Inpatient Rehabilitation Facility (IRF) Quality Reporting Program (QRP)

A. Background and Statutory Authority

The Inpatient Rehabilitation Facility Quality Reporting Program (IRF QRP) is authorized by section 1886(j)(7) of the Act, and it applies to freestanding IRFs, as well as inpatient rehabilitation units of hospitals or Critical Access Hospitals (CAHs) paid by Medicare under the IRF PPS. Section 1886(j)(7)(A)(i) of the Act requires the Secretary to reduce by 2 percentage points the annual increase factor for discharges occurring during a FY for any IRF that does not submit data in accordance with the IRF QRP requirements set forth in subparagraphs (C) and (F) of section 1886(j)(7) of the Act. We have codified our program requirements in our regulations at § 412.634.

In the proposed rule, we proposed to remove two quality measures: (1) the COVID–19 Vaccination Coverage among Healthcare Personnel (HCP) measure, beginning with the FY 2026 IRF QRP, and (2) the COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date measure, beginning with the FY 2028 IRF QRP. We also proposed to remove four items previously adopted as standardized patient assessment data elements under the social determinants of health (SDOH) category beginning with the FY 2028 IRF QRP: one item for Living Situation, two items for Food, and one item for Utilities. We also proposed to amend our reconsideration policy and process.

We also sought public comment on several Requests for Information (RFIs), specifically on: (1) future measure concepts for the IRF QRP in section VII.E of the proposed rule; (2) potential revisions to the IRF–PAI as described in section VII.F of the proposed rule; (3) potential revisions to the data submission deadlines for assessment data collected for the IRF QRP as described in section VII.G of the proposed rule; (4) advancing digital quality measurement in IRFs as described in section VII.H of the proposed rule.

B. General Considerations Used for the Selection of Measures for the IRF QRP

For a detailed discussion of the considerations we use for the selection of IRF QRP quality, resource use, or other measures, we refer readers to the FY 2016 IRF PPS final rule (80 FR 47083 through 47084).

1. Quality Measures Currently Adopted for the IRF QRP

The IRF QRP currently has 17 adopted measures, which are listed in Table 8.

For a discussion of the factors, we use to evaluate whether a measure should be removed from the IRF QRP, we refer readers to our regulations at § 412.634(b)(2). We refer readers to the CY 2013 OPPS/ASC PPS final rule (77 FR 45194 and 45195) for discussion of our policy that allows any quality measure adopted for use in the IRF QRP to remain in effect until the measure is removed, suspended, or replaced, the FY 2018 IRF PPS final rule (82 FR 36276) which applied this policy to standardized patient assessment data we adopt for the IRF QRP, and the FY 2019 IRF PPS final rule (83 FR 38556 and 38557) for more information on the factors we consider for removing measures and standardized patient assessment data.

TABLE 8—QUALITY MEASURES CURRENTLY ADOPTED FOR THE IRF QRP

Short name	Measure name & data source
Inpatient Rehabilitation Facility—Patient Assessment Instrument (IRF–PAI) Assessment-Based Measures	
Pressure Ulcer/Injury	Changes in Skin Integrity Post-Acute Care: Pressure Ulcer/Injury.

TABLE 8—QUALITY MEASURES CURRENTLY ADOPTED FOR THE IRF QRP—Continued

Short name	Measure name & data source
Application of Falls	Application of Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay).
Discharge Mobility Score	IRF Functional Outcome Measure: Discharge Mobility Score for Medical Rehabilitation Patients.
Discharge Self-Care Score	IRF Functional Outcome Measure: Discharge Self-Care Score for Medical Rehabilitation Patients.
DRR	Drug Regimen Review Conducted with Follow-Up for Identified Issues—Post Acute Care (PAC) Inpatient Rehabilitation Facility (IRF) Quality Reporting Program (QRP).
TOH-Provider	Transfer of Health Information to the Provider—Post-Acute Care (PAC).
TOH-Patient	Transfer of Health Information to the Patient—Post-Acute Care (PAC).
DC Function	Discharge Function Score.
Patient/Resident COVID–19 Vaccine	COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date.
National Healthcare Safety Network	
CAUTI	National Healthcare Safety Network (NHSN) Catheter-Associated Urinary Tract Infection Outcome Measure.
CDI	National Healthcare Safety Network (NHSN) Facility-wide Inpatient Hospital-onset *Clostridium difficile* Infection (CDI) Outcome Measure.
HCP Influenza Vaccine	Influenza Vaccination Coverage among Healthcare Personnel.
HCP COVID–19 Vaccine	COVID–19 Vaccination Coverage among Healthcare Personnel (HCP).
Claims-Based	
MSPB IRF	Medicare Spending Per Beneficiary (MSPB)—Post Acute Care (PAC) IRF QRP.
DTC	Discharge to Community—PAC IRF QRP.
PPR 30 day	Potentially Preventable 30-Day Post-Discharge Readmission Measure for IRF QRP.
PPR Within Stay	Potentially Preventable Within Stay Readmission Measure for IRFs.

C. Overview of Quality Measure Proposals

In the proposed rule, we proposed to remove two measures: (1) the COVID–19 Vaccination Coverage among Healthcare Personnel (HCP) measure, beginning with the FY 2026 IRF QRP and (2) the COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date measure, beginning with the FY 2028 IRF QRP.

1. Removal of the COVID–19 Vaccination Coverage Among Healthcare Personnel (HCP) Measure Beginning With the FY 2026 IRF QRP

We refer readers to the FY 2022 IRF PPS final rule where we adopted the COVID–19 Vaccination Coverage among HCP measure (HCP COVID–19 measure) into the IRF QRP (86 FR 42385 through 42396) and the FY 2024 IRF PPS final rule where we modified the HCP COVID–19 measure to account for updated vaccine guidance (88 FR 50999 through 51009). To report this measure, an IRF must report data on COVID–19 vaccination coverage among HCP for at least one week each month. This requires IRFs to track current vaccination status for all employees, licensed independent practitioners, adult students/trainers and volunteers and other contract personnel and log in to the National Healthcare Safety Network (NHSN) to report the data monthly either manually in the NHSN or by uploading a CSV file (86 FR 42388). The estimated burden of collecting this information annually across all 1,166 IRFs is 13,992 hours at a cost of $503,991.84. We refer readers to section VIII.A.1. of this final rule for more details on this estimated burden calculation.

We proposed to remove the HCP COVID–19 measure beginning with the FY 2026 IRF QRP under removal Factor 8, the costs associated with a measure outweigh the benefit of its continued use in the program (§ 412.634(b)(2)(viii)). When we first adopted the HCP COVID–19 measure, the United States was in the midst of a Public Health Emergency (PHE) with millions of cases and over 550,000 COVID–19 deaths (86 FR 42385 and 42386). While preventing the spread of COVID–19 remains a public health goal, the PHE ended on May 11, 2023.[7] In March 2021, when this measure was being proposed, the United States was averaging over 5,000 deaths per week. In April 2023, the last full month of the PHE, weekly number of deaths due to COVID–19 averaged around 1,300.[8] With the end of the PHE and the decrease in COVID–19 deaths, we expect the continued costs and burden to providers of tracking and monthly reporting on this measure to outweigh the benefit of continued information collection on COVID–19 vaccination coverage among HCP in IRFs.

If finalized, IRFs that did not report their CY 2024 reporting period data for the HCP COVID–19 measure would still be considered compliant with the IRF QRP for purposes of their FY 2026 payment determination (that is, IRFs that do not report CY 2024 HCP COVID–19 vaccination data would not be penalized for FY 2026 payments). Any HCP COVID–19 Vaccination measure data received by CMS would not be used for payment determination.

We invited public comment on our proposal to remove the COVID–19 Vaccination Coverage among HCP measure from the IRF QRP beginning with the FY 2026 IRF QRP. The following is a summary of the public comments received and our responses:

Comment: Many commenters supported the removal of the COVID–19 Vaccination Coverage among HCP measure, agreeing that the burden required to collect this measure outweighs the benefits. Several commenters cited the end of the Public Health Emergency and changes to vaccination and booster recommendations in their support. A few commenters stated that the availability of vaccines, improved treatments, and declining rates of severe

[7] *https://www.hhs.gov/coronavirus/covid-19-public-health-emergency/index.html.*

[8] Provisional COVID–19 Deaths, by Week, in The United States, Reported to CDC. Accessed on March 27, 2025, via *https://covid.cdc.gov/covid-data-tracker/#trends_weeklydeaths_select_00.*

illness have reduced the need for reporting of HCP vaccination rates.

A few commenters stated that confusion about the ''up to date'' definition led to inaccurate reporting and increased administrative tracking and noted that the requirements were not consistent with federal and state mandates. These commenters also cited concerns about the measure's consideration of medical contraindications and religious beliefs. Another commenter stated that the measure has been administratively challenging, and that the inclusion of non-employees created difficulties for providers.

Response: We thank these commenters for their support and feedback about the measure. We agree that the costs associated with a measure outweigh the benefit of its continued use in the program, given the end of the PHE.

Comment: One commenter was opposed to removing the measure, recommending that CMS retain one of the COVID–19 vaccine measures to ensure public health surveillance for vulnerable populations.

Response: We appreciate the commenter's concerns for the IRF population. However, we note that since the end of the PHE there has been an increase in the availability of treatments, including antiviral medications used to treat mild to moderate COVID–19 infections in vulnerable populations.[9] Since the number of COVID–19 cases and deaths is declining, and the availability of treatments has increased, we believe the threat to vulnerable populations, such as IRF patients, is also reduced. On these bases, we believe the continued costs and burden to providers of reporting this measure outweigh the benefit of continued information collection on COVID–19 vaccination coverage among HCP in IRFs.

After consideration of the public comments, we are finalizing our proposal to remove the COVID–19 Vaccination Coverage among HCP measure from the IRF QRP beginning with the FY 2026 IRF QRP.

2. Removal of the COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date Measure Beginning With the FY 2028 IRF QRP

We refer readers to the FY 2024 IRF PPS final rule where we adopted the COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date (Patient/Resident COVID–19 Vaccine) measure into the IRF QRP (88 FR 51026 through 51035). In the FY 2026 IRF PPS proposed rule (90 FR 18550), we proposed to remove the Patient/Resident COVID–19 Vaccine measure beginning with the FY 2028 IRF QRP under removal Factor 8, the costs associated with a measure outweigh the benefit of its continued use in the program (§ 412.634(b)(2)(viii)). The estimated burden of collecting this information annually across all 1,166 IRFs is 3,111.5 hours at a cost of $218,116.15. We refer readers to section IX.A.2. of this final rule for more details on this estimated burden reduction.

When we adopted the Patient/Resident COVID–19 Vaccine measure, COVID–19 continued to be a major challenge for IRFs, with older adults at a significantly higher risk of mortality, severe disease, and death following infection (88 FR 51026).

IRFs have expressed concerns about data collection challenges and increased provider burden in collecting patient immunization data.[10] This is especially true considering the shorter length of stay for IRF patients compared to other post-acute settings. While preventing the spread of COVID–19 remains a public health goal, the number of COVID–19 cases and deaths [11] is declining, and we believe the continued costs and burden to providers of reporting this measure outweigh the benefit of continued information collection on COVID–19 vaccination coverage among patients in IRFs.

We proposed that, beginning with patients discharged on or after October 1, 2025, IRFs would not be required to collect and submit the Patient/Resident COVID–19 Vaccine measure data to CMS. We proposed to remove the Patient/Resident COVID–19 Vaccine data item (O0350) from the IRF–PAI effective October 1, 2026, since it is not technically feasible to remove this item earlier. However, under our proposal, this item will become voluntary and IRFs would not be required to collect and submit Patient/Resident COVID–19 Vaccine data beginning with patients discharged on or after October 1, 2025.

We invited public comment on our proposal to remove the COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date measure from the IRF QRP beginning with the FY 2028 IRF QRP.

The following is a summary of the public comments received on our proposed update to remove the COVID–19 Vaccine:

Comment: We received many comments in support of the proposal to remove the Patient/Resident COVID–19 Vaccine measure, agreeing that the administrative burden required to collect this measure outweighs the benefits. Several commenters noted the end of the Public Health Emergency and changes to vaccination and booster recommendations in their support for removing the measure. A few commenters noted that IRF patients are medically complex and appreciated the flexibility to determine how to support infection control among their patients. A few commenters stated that COVID–19 vaccination is driven by primary and acute care providers and was not appropriate for the IRF setting. One commenter asserted that this measure did not have any benefit to the public or Medicare program. A few commenters noted the difficulty of collecting accurate patient vaccination status. A few commenters supported removal, citing issues with the measure response options, including the definition of ''up to date'' and the lack of an option to indicate patient refusal or exclusion for medical contraindications or religious beliefs. These commenters also noted that some IRFs are not able to provide the vaccine to patients and also noted that vaccine side effects may impede patients from participating in therapy.

Response: We thank commenters for their support. We acknowledge commenters' difficulty with assessing patient's vaccination status in the IRF, given that the IRF length of stay is shorter compared to other post-acute care settings. We agree that the costs associated with this measure, including the resources spent by IRF staff in trying to ascertain patients' vaccination status, outweigh the benefit of its continued use in the program, given the end of the PHE, the decrease in COVID cases as well as the availability of treatments.

Comment: We received a few comments that were supportive of the measure removal, but requested an earlier timeframe, citing data collection burden. These commenters requested that CMS not penalize IRFs for failing to report data for the Patient/Resident COVID–19 Vaccine measure for CY 2024 and January through September 2025. Another commenter requested that the Patient/Resident Vaccine item be removed from the IRF–PAI on October

[9] COVID–19 Treatment Options, *https://www.cdc.gov/covid/treatment/index.html.*

[10] Standing Technical Expert Panel for the Development, Evaluation, and Maintenance of Post-Acute Care (PAC) and Hospice Quality Reporting Program (QRP) Measurement Sets Summary Report December 15, 2023. *https://www.cms.gov/files/document/december-2023-pac-and-hospice-cross-setting-tep-summary-report.pdf-1.*

[11] Provisional COVID–19 Deaths, by Week, in The United States, Reported to CDC. Accessed on March 18, 2025, via *https://covid.cdc.gov/covid-data-tracker/#trends_weeklydeaths_select_00.*

1, 2025, to avoid confusion and workflow delays.

Response: IRFs have been required to report this measure on the IRF–PAI since October 1, 2024. According to internal CMS analysis of IRF–PAI data, IRFs have a data submission rate of approximately 99 percent with regard to the required IRF QRP data elements on the IRF PAI. We do not anticipate a substantial number of IRFs to be non-compliant with FY 2026 IRF QRP due to non-submission of this measure for CY 2024 quarter 4. We are consistently monitoring these data as they are submitted for trends that may indicate barriers to data submission and will continue to do so as we conclude the FY 2026 IRF QRP program year.

Regarding the suggestion to remove the item from the IRF–PAI on October 1, 2025, it is not operationally feasible to remove this measure from the IRF–PAI, since CMS, IRFs and vendors need more time to prepare for an update to the item set and data specifications. Instead, we proposed, and are finalizing, that reporting the data on this measure using the IRF–PAI will be optional beginning October 1, 2025. Because data collected in Q4 of 2025 (October 1, 2025–December 31, 2025) are used in determining the minimum data completion threshold for the FY 2027 IRF QRP determination, we intend to provide updates to the website to indicate that the Patient/Resident COVID–19 Vaccine data item (O0350) is optional for the final quarter of the data collection period for the FY 2027 Annual Increase Factor Determination (that is, Q4 of 2025) and we will not penalize IRFs who select not complete this item during Q4 of 2025. The item will be optional until it can be removed from the IRF–PAI with the next iteration of the IRF–PAI scheduled for release October 1, 2026.

Comment: One commenter was opposed to removing the measure, recommending that CMS retain one of the COVID–19 vaccine measures to ensure public health surveillance for vulnerable populations.

Response: We appreciate the commenter's concerns for the IRF population. However, we wish to clarify that this measure did not provide surveillance data about COVID–19 cases among IRF patients; rather it assessed whether patients in submitting IRFs were up to date in their COVID–19 vaccinations. Removing this measure will not impact the public health surveillance of COVID–19. We also note that since the end of the PHE, there has been an increase in the availability of treatments, including antiviral medications used to treat mild to moderate COVID–19 in vulnerable populations.[12] As we stated in the proposed rule, because the number of COVID–19 cases and deaths is declining and the availability of treatments has increased, we believe the threat to vulnerable populations, such as IRF patients, is also reduced. On these bases, we believe the continued costs and burden to providers of reporting this measure outweigh the benefit of continued information collection on COVID–19 vaccination coverage among patients in IRFs.

After consideration of the public comments, we are finalizing our proposal to remove the COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date measure from the IRF QRP beginning with the FY 2028 IRF QRP. Beginning with patients discharged on or after October 1, 2025, IRFs would not be required to collect and submit the Patient/Resident COVID–19 Vaccine measure data to CMS, and IRFs who do not report this data for Q4 of 2025 will not be penalized for the FY 2027 Annual Increase Factor Determination.

D. Removal of Four Standardized Patient Assessment Data Elements Beginning With the FY 2028 IRF QRP

We refer readers to the FY 2025 IRF PPS final rule (89 FR 64310 through 64322) where we finalized the adoption of four items as standardized patient assessment data elements under the SDOH category from the IRF–PAI: one item for Living Situation (R0310); two items for Food (R0320A and R0320B); and one item for Utilities (R0330). As finalized in the FY 2025 IRF PPS final rule, IRFs would be required to report these data elements using the IRF–PAI beginning with patients discharged on or after October 1, 2026 through December 31, 2026 for purposes of the FY 2028 IRF QRP and each program year after (89 FR 64326 through 64327).

In the proposed rule, we proposed to remove these four standardized patient assessment data elements under the SDOH category from the IRF–PAI as we acknowledge the burden associated with these items at this time. We continuously look for ways to balance the need for data collections regarding quality care and the burden that such data collections may have on healthcare providers. One goal we have is to facilitate improved healthcare delivery by requiring different systems and software applications to communicate and exchange data. Therefore, we would like to work towards the workflow for these specific data elements being part of a low burden interoperable electronic system. The focus will turn towards how these data and associated recommendations can improve care coordination, efficiency, reduction in errors and patient experience. As health information technology (IT) advances and interoperability of data becomes more standardized, the burden to collect and share clinical data on these and other relevant patient information will become less burdensome, allowing for better outcomes for IRF patients and their families. The objectives of the IRF QRP continue to be the improvement of care, quality and health outcomes for all patients through transparency and quality measurement, while not imposing undue burden on essential health providers. We proposed that IRFs would not be required to collect and submit Living Situation (R0310), Food (R0320A and R0320B), and Utilities (R0330) items using the IRF–PAI beginning with the patients discharged on or after October 1, 2026, removing the required collection and reporting of these items that we previously finalized. We also proposed that collecting these items would not be required to meet the IRF QRP requirements to avoid a 2 percent payment reduction beginning with the FY 2028 IRF QRP.

In the proposed rule, we calculated that removing these items from the data collection for the FY 2028 IRF QRP would keep the 1,166 IRFs from incurring 12,446 hours of administrative burden at a cost of $872,464.60 (or $748.25 per IRF) at this time (90 FR 18557 and 18558). We refer readers to section IX.A.3. of this final rule for more details on this estimated burden reduction.

We invited public comments on our proposal to remove four standardized patient assessment data elements collected under the SDOH category from the IRF QRP beginning with the FY 2028 IRF QRP.

The following is a summary of the public comments received on our proposal to remove these four standardized patient assessment data elements.

Comment: Many commenters supported the proposed removal of the four SDOH assessment data elements, citing that these added complexity and administrative burden to the patient assessment process. A few commenters expressed concerns about how these data elements can be time-consuming to collect and detract from direct patient care. Several commenters acknowledged that CMS must work towards a balance of provider burden and data collection efforts for quality, ensuring data adds

[12] COVID–19 Treatment Options, *https://www.cdc.gov/covid/treatment/index.html.*

value to its program and advances health care.

Many commenters in support of removing the four SDOH data elements noted that these SDOH data are important to patient outcomes and continue to be a priority among IRFs. They stated, however, this information is already part of the best practices for discharge planning, used for uncovering barriers to a safe transition and preventing readmissions. Several of these commenters believed that most IRFs already collect these elements and signaled they will continue to do so as they find it beneficial to their patient population, if they need it to meet accreditation standards, such as The Joint Commission, and for internal quality improvement efforts and population health initiatives. By removing the four SDOH data elements from the IRF QRP, this commenter asserted that we are preserving flexibility in IRFs addressing risk factors in ways that are more clinically relevant.

Response: We thank commenters for their support. We continue to monitor the IRF QRP data collection requirements to look for ways to reduce the administrative burden where appropriate while maintaining a high standard of quality care. We agree that removing these particular items at this time will alleviate some of the burden on providers associated with IRF QRP data collection and submission. We intend to align the IRF QRP more closely with CMS's overarching goal for improved healthcare delivery through health IT advances and less burdensome interoperable electronic systems. As we stated in the proposed rule (90 FR 18534), we plan to refocus efforts on how data elements can improve care coordination, efficiency, reduction in errors, and patient experience.

Additionally, we acknowledge that many IRF providers have already been tracking SDOH. We agree that collecting this information is beneficial for IRFs regardless of the requirements of the IRF QRP, as it facilitates discharge planning and contributes to quality improvement as well as accreditation efforts.

Comment: A few commenters support removal of the four SDOH data elements from the IRF–PAI because they are not currently used in any quality measures or risk adjustment models, or being utilized by CMS in an actionable way, and their collection is therefore an unnecessary burden on IRFs participating in the QRP. A few other commenters stated there was no clear evidence that collecting these items has led to measurable improvements in care transitions or outcomes in the IRF setting.

Response: Regarding the comments stating that the data elements have not been utilized by CMS in an actionable way, we wish to clarify that IRFs have not begun any data collection on the SDOH data elements for the IRF QRP. While we finalized the adoption of the four SDOH data elements in the FY 2025 IRF PPS final rule, IRFs would have been required to report these data elements using the IRF–PAI beginning with patients discharged on or after October 1, 2026 (89 FR 64326 through 64327).

Regarding comments about evidence for measurable improvements in case transitions or outcomes in the IRF setting, while we are not aware of evidence in the IRF setting at this time, we will continue to monitor this topic as we consider future data elements in the IRF QRP. In response to the comments about the SDOH data elements not being used in quality measures or for risk adjustment, we note that the IRF QRP requires data collections that are not strictly limited to quality measures or risk adjustment. Section 1886(j)(7)(F)(ii) of the Act requires IRFs to submit standardized patient assessment data required under section 1899B(b)(1) of the Act.

Comment: Many commenters were opposed to CMS's proposal to remove the four SDOH data elements from the IRF–PAI and urged CMS to reconsider the proposal. These commenters believe that this data adds value to IRFs, citing existing literature on how SDOH improves health outcomes and how this information facilitates discharge planning by providing a proactive approach to risks and earlier intervention. The commenters felt that clinical care provided by the IRF can be undermined when basic needs are not met. A few commenters noted that these items can help reduce healthcare costs by allowing IRFs to address these factors as part of a comprehensive and preventative approach to care. Other commenters stated the SDOH data elements were particularly important in caring for patients with complex or chronic conditions and geriatric patients, and that the data can help reduce hospital readmissions, emergency department visits and hospitalizations when paired with interventions and community support services. Two commenters further stated that understanding SDOH factors can illuminate drivers behind poor patient outcomes and supports efforts towards finding evidence-based, measurable solutions to differences in health care among certain populations.

Response: We appreciate commenters' concerns and feedback regarding the importance of collecting these SDOH data elements from IRF patients to capture and address unmet needs and particularly highlighting their importance for complex patient populations such as those with chronic conditions and geriatric patients. We acknowledge commenters' experiences using SDOH data to monitor and improve health care outcomes may be different for those experiencing unstable housing, food insecurity or challenges paying utilities, and recognize feedback from some commenters stating that they currently collect and will continue to collect this information.

However, in reviewing the data collection and reporting requirements for the FY 2028 IRF QRP, we determined that these SDOH items should be removed from the IRF–PAI prior to the start of data collection and submission. We have re-evaluated the value of adding these SDOH items for the purposes of the IRF QRP against their burden at this time. Collecting these SDOH items is not a one-time task but an ongoing requirement for every IRF patient admitted to the facility if the items became part of the IRF QRP.

We considered that IRFs have not yet begun to report these data, that we do not currently use these items in the IRF QRP for measures or risk adjustment, and that these SDOH items are not clinical items related to direct patient care while a patient is admitted to an IRF. We also have refocused our efforts on modernization of health care and health care systems which may support a less burdensome way of collecting SDOH items in the future. We continuously review and reassess the balance of data collection and IRF provider burden for the IRF QRP, and at this time determined these SDOH items should be removed prior to implementation.

The objectives of the IRF QRP continue to be the improvement of care, quality and health outcomes for all patients through transparency and quality measurement, while balancing burden for IRF providers. As outlined in our request for information in the FY 2026 IRF PPS proposed rule (90 FR 18554), we are refocusing our efforts to include ways for data elements, such as those related to SDOH, being part of a less burdensome, more streamlined, and interoperable electronic system. Given these administrative goals and efforts to reduce burden for IRFs, we do not believe that the value of collecting SDOH data elements via the IRF–PAI outweighs the cost and burden of collecting them at this time.

At this time, we believe that halting the implementation of the four SDOH items prior to their being added to the IRF–PAI on October 1, 2025, removes the burden these data collection and submission requirements would impose on IRFs. While we understand some IRFs may have taken time and resources to build technical infrastructure to collect these items, this accounts for only a portion of the overall cost we considered when evaluating whether to remove the SDOH items from the IRF–PAI at this time. Once implementation occurred, IRFs would need to engage in training activities, continuous data collection and submission to CMS, reviews of the guidance manuals, and other implementation tasks. To the extent IRFs may find collecting this or similar information from their patients helpful, including those patients with complex or chronic conditions and geriatric patients, the removal of collecting and reporting this information to CMS to comply with IRF QRP requirements does not, in any way, preclude IRFs from collecting and using this information on their own.

Comment: A few commenters stated that, while some IRFs may already collect this information for discharge planning purposes, they believe standardized items on the IRF–PAI improve consistency and support IRF providers in administering a comprehensive plan of care in accordance with CMS's regulation. These commenters stated that IRFs do not have coverage criteria like other post-acute care settings that make this data collection redundant. A few commenters also state that the cost and burden does not meaningfully outweigh the value of collecting this information, which includes being able to more accurately measure the quality of care in IRFs by determining whether the influence of poor outcomes is through factors outside the influence of the IRF. One commenter stated that assessing SDOH for patients improves coordination between facilities and community care providers ensuring that Medicare dollars are spent efficiently and facilitating high quality care across settings. Another commenter cited that this data collection can facilitate meaningful partnerships with community-based organizations that are needed to improve outcomes for patients. Another commenter noted that value-based care can only be achieved when nonmedical factors are taken into account to inform the cost and outcomes of care.

Response: We acknowledge the value that commenters ascribe to the collection of this information for discharge planning and care coordination, and commenters' experiences with improving outcomes and facilitating high quality care. We intend to work towards the workflow and data exchange for data elements being part of a less burdensome interoperable electronic system, to improve care coordination, efficiency, reduction in errors and patient experience. In response to commenters concerned about a lack of standardization among IRFs in administering a comprehensive plan of care that includes information about unmet needs outside of the facility, we acknowledge these concerns but reiterate that our renewed focus on interoperable electronic systems and modernizations to health IT will streamline data standardization and do so in a way that is less burdensome on IRFs and their staff. Although we will no longer require that IRFs collect and submit these four items to CMS using the IRF–PAI, IRFs can still collect and use SDOH information to support a comprehensive plan of care that includes these and other unmet needs.

By streamlining the number of data elements required for reporting under the IRF QRP, IRFs can focus efforts and resources to address the quality issues that matter most to their patients. As we stated in the FY 2026 IRF PPS proposed rule (90 FR 18553), we are soliciting comment on measurement concepts that address patient well-being while more appropriately reflecting factors that are within practitioners' and facilities' scope of care or where practitioners can provide actionable care that will help reduce the prevalence of chronic diseases, including nutrition, increased adherence to expected daily thresholds for physical activity, minimization of chronic stressors, and improvements in mental health. We would also like to acknowledge that implementation efforts to collect and submit any data elements for the purposes of meeting IRF QRP requirements comes with inherent burden on IRF providers, particularly new data elements since they involve adjustments to health IT systems and EHRs, IRF provider workflows, and staff training. We are always reviewing and reassessing this balance of data collection and IRF provider burden for the IRF QRP, striving to balance that burden with the value of measuring the quality of care that patients receive. As we are finalizing our proposal, removal of these four data elements from the IRF–PAI means IRFs would not need to submit this information to meet requirements of the IRF QRP and that resources can be distributed toward efforts to improve or enhance clinical care, health IT, or other areas as determined by the IRF.

Regarding the commenters' statement that IRFs do not have coverage criteria like other post-acute care settings that make this data collection redundant, we do believe that IRFs collect information that informs care coordination and discharge planning. For instance, IRFs are required by our regulation at § 482.43(a) to identify, at an early stage of hospitalization, those patients who are likely to suffer adverse health consequences upon discharge in the absence of adequate discharge planning and must provide a discharge planning evaluation for those patients.

Comment: One commenter stated that CMS provided extensive support and rationale for adopting these four data elements in the FY 2025 IRF PPS final rule, developing a policy that was well-vetted and examined in detail. This commenter asserted that CMS has not provided any reasoning or explanation in our proposal in the FY 2026 IPF PPS proposed rule as to why these are no longer important or how circumstances have changed to necessitate their removal. Other commenters believed that removal of these data elements prior to implementation is premature and that keeping them would support alignment of payment, data and accountability mechanisms to improve care.

Response: In response to comments requesting a rationale for this policy, in the proposed rule, we explained that the removal of these items is a result of our focus on balancing the need for data collections regarding quality care and the burden of these data collections on IRF providers at this time (90 FR 18551). We would also like to reiterate that IRFs and their staff independently may determine to screen their patients for factors that may affect their clinical decision-making and discharge planning, even in the absence of a reporting requirement. We did not intend to suggest with our proposal to remove these items from the IRF QRP means that IRFs should cease collecting this or similar information for their own purposes, such as the development of a discharge plan. Rather, we are removing the four SDOH items from the IRF–PAI to reduce the burden of data collection and submission for the IRF QRP. Reducing the burden of IRF QRP requirements would enable IRFs and their staff to focus their efforts on clinical decision making by preserving clinicians' flexibility to address social risk factors in other ways that are tailored to the needs of and make the most sense for their resident

populations. As noted, we are always considering the balance of burden against data collection and submission and for these SDOH data elements, we reconsidered the value for the purposes of the IRF QRP against their burden at this time. We specifically considered that these items are not clinical in nature. While these items inform clinical decisions and resource allocation after discharge, they are not factors within the scope of care of an IRF and its staff while the patient is still admitted to an IRF. Furthermore, if maintained on the IRF–PAI, there was currently no use for these data elements in risk adjustment models, reporting of IRF measure results, or the development of new quality measures. We proposed removal of the four SDOH data elements from the IRF–PAI because IRFs have not started data collection for these data elements yet, we are not utilizing the information for any purpose at this time, and there is an agency-wide refocusing on modernization of health care and health care systems in interoperability and on engaging IRF providers with these health IT efforts . We are working towards developing less burdensome data collection methods as we believe leveraging technological advances and data modernization can streamline standardization of the IRF–PAI in ways that support interoperable patient data and reduce time spent collecting this data by IRFs and their staff. We strive to collaborate with IRF providers in these efforts as exhibited in our request for information on advancing digital quality measurement (dQM) in the FY 2026 IRF PPS proposed rule (90 FR 18554). This collaboration includes reducing the burden of paperwork for participating in the IRF QRP, where possible, to support IRF providers in moving towards health data technology and interoperability that promotes spending more time with patients. IRFs are welcome to continue collecting this information to inform care coordination and discharge planning.

Comment: Many commenters believe the elements provide important insights into housing, food, and utility insecurity, which affect patient outcomes and that removing these SDOH items is counter to national efforts aimed at improving health outcomes, including current CMS agency goals related to the development of patient nutrition, physical activity, and well-being measures. The commenters cited that the SDOH items could be utilized to support the Make America Healthy Again initiative's core mission of a more efficient, prevention-focused healthcare system which can be achieved through early identification of risks and treatment of expensive but preventable complications.

Response: We disagree but understand why IRF providers believe that removing the four SDOH items is counter to our current goals and initiatives aimed at improving health outcomes, including Make America Healthy Again initiative's core mission. In response to comments about the agency's goals related to nutrition and well-being, we do not believe these four SDOH items are the only foundational items that can be included for future measure development related to nutrition or other measure concepts that support the agency's goals. Please see where we described in our request for information on a future measure concept of nutrition in the FY 2026 IRF PPS proposed rule (90 FR 18553). As we finalized in the FY 2025 IRF PPS final rule (89 FR 64314), the two Food items (R0320A and R0320B) each assess one particular aspect of nutrition: for example, food availability and food security. These items do not encompass other relevant, meaningful information to improve patients' health outcomes, including healthy nutrition, sleep, and physical activity levels. In addition, we believe there are existing data elements on the IRF–PAI that could support the development of measure concepts we are considering in the future. For example, the IRF–PAI includes nutrition items in Section K of the IRF–PAI. To reiterate, we are currently removing these SDOH items to refocus efforts and resources towards a less burdensome interoperable system for IRFs participating in the IRF QRP. The existing IRF–PAI items, such as the standardized patient assessment data elements in Section K regarding Nutritional Approach (*e.g.,* Parenteral/IV Feeding, Feeding Tube, Mechanically Altered Diet, Therapeutic Diet) that were finalized in the FY 2020 IRF PPS final rule (84 FR 39136 through 39140), provide a foundation for building out nutrition measures.

We are soliciting comments on ways to improve patient well-being across the Medicare program and remains committed to identifying the needs of patients and supporting IRFs in addressing those risks in a way that best accounts for patients' clinical circumstances with minimal burden. We remain committed to supporting providers in addressing health risks and needs of at-risk populations such as those experiencing challenges with maintaining healthy nutrition and physical activity levels and managing or improving chronic stressors, mental health concerns, and chronic diseases.

Comment: A few commenters were concerned that many healthcare facilities across the country have already made substantial investments to incorporate the screening of these SDOH data elements into setting up systems, EHRs, and workflows. These commenters believed that this would amount to more than ongoing implementation costs, and that hospitals and other settings expecting to report these data elements have already expended the necessary resources to set up their systems and referral programs. These commenters stated that removing these measures does not negate their prior investments and may result in additional resources to rework their systems.

Response: We acknowledge the commenters' concerns and understand the time and resources that IRFs may have spent on anticipating for the requirement to collect these data elements as part of the IRF QRP. Since the inception and initial development of the IRF QRP, interested parties have requested we provide draft specifications for the upcoming release of the revised IRF–PAI earlier and earlier. We have been responsive to this request and aim to provide as much information as possible when that information is available. For our proposal to remove the four SDOH items, we posted two sets of draft IRF–PAI data specifications so IRFs and their staff could understand what would need to be done if the proposal was finalized. However, we would like to emphasize that the information released in these draft IRF–PAI specification files are not final, and that the IRF–PAI specifications cannot be finalized until CMS policies are finalized after the final rule is released. The time and resources spent to build technical infrastructure accounts for only a portion of the overall cost, which also includes training activities, data collection, reviews of the guidance manuals, and other implementation tasks. As a result, we believe removing these items before data collection begins will still save IRF providers time, money, and resources.

After consideration of the public comments, we are finalizing our proposal to remove four standardized patient assessment data elements (one item for Living Situation (R0310); two items for Food (R0320A and R0320B); and one item for Utilities (R0330)) collected under the SDOH category from the IRF QRP beginning with the FY 2028 IRF QRP.

E. Amend the Reconsideration Request Policy and Process

1. Background

In the FY 2014 IRF PPS final rule (78 FR 47919), we finalized the IRF QRP Reconsideration policy and process whereby an IRF may request reconsideration of an initial determination that the IRF did not comply with the IRF QRP reporting requirements, warranting the reduction of the IRF's annual payment update by 2 percent for the applicable fiscal year as required by section 1886(j)(7)(A)(i) of the Act. In that rule, we stated that the IRF may file a request for reconsideration if they believe that the finding of non-compliance is erroneous, or if they were non-compliant, they have a valid and justifiable excuse for this non-compliance (78 FR 47919). We further stated that, after we review the request for reconsideration, we may reverse our initial finding of non-compliance if: (1) the IRF provides proof of compliance with all requirements during the reporting period; or (2) the IRF provides adequate proof of a valid or justifiable excuse for non-compliance if the IRF was not able to comply with requirements during the reporting period (78 FR 47919). Finally, we stated that we will uphold an initial finding of non-compliance if the IRF cannot show any justification for non-compliance (78 FR 47919).

In the FY 2015 IRF PPS final rule (79 FR 45918 and 45919), we finalized amendments to the IRF QRP reconsideration policy and process. Specifically, we stated that each IRF would receive a notification of noncompliance with IRF QRP requirements if we determine it had not correctly submitted data with respect to the applicable fiscal year (79 FR 45919). Then, the IRF would have 30 days from the date of our initial notification of noncompliance to submit a request for reconsideration via email. We also provided that, in very limited circumstances, we may grant a request by an IRF to extend the deadline to submit its reconsideration request, so long as the IRF requested the extension and demonstrated that extenuating circumstances existed that prevented it filing a reconsideration request by the 30-day deadline (79 FR 45919). Finally, we provided that, as part of its reconsideration request, the IRF must submit all supporting documentation and evidence demonstrating: (1) full compliance with all IRF QRP reporting requirements during the reporting period; or (2) extenuating circumstances that affected noncompliance if the IRF was not able to comply with the requirements during the reporting period (79 FR 45919). We stated that we would not review any reconsideration request that fails to provide the necessary documentation and evidence along with the request (79 FR 45919).

In the FY 2016 IRF PPS final rule (80 FR 47138), we codified the reconsideration policy and process for the IRF QRP at § 412.634(d). In subsequent rulemaking, we have amended our reconsideration policy and process at § 412.634(d) for minor clarifications and technical updates (FY 2019 IRF PPS final rule (83 FR 38561 and 62 and 83 FR 38573) and FY 2020 IRF PPS final rule (84 FR 39161 and 39172 through 73)). As codified, our regulation at § 412.634(d) addresses how we send our written notification of noncompliance to an IRF, the process for an IRF to request reconsideration, what information an IRF must include with its reconsideration request (for example, documentation that demonstrates the IRF's compliance with IRF QRP requirements), and how we notify the IRF of our final decision regarding its reconsideration request.

We have become aware that there are inconsistencies in our preamble and regulation text regarding IRF requests for reconsideration. On this basis, in this proposed rule, we seek to clarify these areas.

2. Allowing IRFs To Request an Extension To File a Request for Reconsideration

As noted previously, in the FY 2015 IRF PPS final rule (79 FR 45918 and 45919), we provided that, in very limited circumstances, we may grant a request by an IRF to extend the deadline to submit its reconsideration request, so long as the IRF requested the extension and demonstrated that extenuating circumstances existed that prevented it filing a reconsideration request by the 30-day deadline (79 FR 45919). We did not codify this policy—permitting IRFs to request an extension to file their reconsideration request—in our regulation text at § 412.634(d). In implementing this finalized policy, we have noted two areas where further clarity would be beneficial to IRFs.

First, we have not clearly defined or explained the term ''extenuating circumstances'' as used in our reconsideration policy. In contrast, we use the term ''extraordinary circumstances'' in our Extraordinary Circumstances Exception and Extension (ECE) policy, as codified at § 412.634(c). We did explain ''extraordinary circumstances'' in detail when we originally finalized this ECE policy in the FY 2014 IRF PPS final rule (78 FR 47920).

On this basis, we proposed to remove the term ''extenuating circumstances'' as used currently in our reconsideration policy and replace it with ''extraordinary circumstances.'' Specifically, we proposed that an IRF may request, and CMS may grant, an extension to file a reconsideration request if the IRF was affected by an extraordinary circumstance beyond the control of the IRF (for example, a natural or man-made disaster). By modifying the basis by which an IRF may request an extension to file a reconsideration request in this manner, we also proposed to incorporate our prior explanation regarding the meaning of extraordinary circumstances, as set forth in the FY 2014 IRF PPS final rule (78 FR 47920) as part of our Extraordinary Circumstance Exception and Extension (ECE) policy. Second, we have noted some areas in our policy where IRFs may benefit from clearly demarcated deadlines. Although we believe an IRF would have an interest in asking for an extension to file a reconsideration request prior to the deadline, our policy currently does not specify a deadline for an IRF to submit its request for such an extension (78 FR 47919). Our policy also provides that, to support such request, the IRF must demonstrate that extenuating circumstances existed that prevented filing the reconsideration request by the 30-day deadline (78 FR 47919). However, we have not specified a temporal relationship between when the extenuating circumstances occurred and the reconsideration request deadline. We believe IRFs may benefit from further specificity regarding these requirements for submitting a request to extend the deadline to file a reconsideration request.

On this basis, we proposed to amend our reconsideration policy as codified at § 412.634(d) to permit a IRF to request, and CMS to grant, an extension to file a request for reconsideration of a noncompliance determination if, during the period to request a reconsideration as set forth in § 412.634(d), the IRF was affected by an extraordinary circumstance beyond the control of the IRF (for example, a natural or man-made disaster). We proposed that the IRF must submit its request for an extension to file a reconsideration request to CMS via email no later than 30 calendar days from the date of the written notification of noncompliance. We proposed that the IRF's extension request, submitted to CMS, must contain all of the following information: (1) the CCN for the IRF; (2) the business name of the IRF; (3) the

business address of the IRF; (4) certain contact information for the IRF's chief executive officer or designated personnel; (5) a statement of the reason for the request for the extension; and (6) evidence of the impact of the extraordinary circumstances, including, for example, photographs, newspaper articles, and other media. We proposed to codify this process at § 412.634(d)(6).

We further proposed that CMS notify the IRF in writing of its final decision regarding its request for an extension to file a reconsideration of a noncompliance request via an email from CMS. We proposed to notify the IRF in writing via email because this will allow for more expedient correspondence with the IRF, given the 30-day reconsideration timeframe. We proposed to codify this process at § 412.634(d)(7).

We note that we considered proposing similar modifications across all post-acute care setting quality reporting programs to more closely align the reconsideration processes.

We invited comments on these proposals to amend the IRF QRP Reconsideration policy to permit IRFs to request an extension to file a reconsideration request and to codify this proposed policy and process at § 412.634(d)(6) and (d)(7). The following is a summary of the public comments received on the proposal to amend the IRF QRP Reconsideration policy:

Comment: We received a few comments in support of the proposal to amend the Reconsideration Request Policy and process, citing that these changes better define the process and timelines for reconsideration requests as well as noting CMS's recognition that extraordinary circumstances may inhibit the ability of IRFs to file reconsideration requests.

Response: We thank commenters for their support.

Comment: A couple of commenters voiced concerns regarding the feasibility of shortening the request timeframe to 30 days. One of these commenters supported CMS's proposal to modify the ECE policy to give the agency more flexibility in granting reporting extensions. However, this commenter opposed a 30-day request window and suggested that CMS should set the minimum timeframe to no less than 60 days. Another of these commenters urged CMS to maintain the existing exception or extension submission timeline of ''within ninety (90) days of the event'' for extraordinary circumstances.

Response: We appreciate the commenters' concerns and recommendations. However, we wish to clarify that the proposed policies do not modify either of these deadlines but specifically address the annual Reconsideration Request timeline. This policy establishes that providers impacted by an extraordinary circumstance within the reconsideration time frame will have 30 days to request an extension to file their reconsideration request after receipt of the initial notice of noncompliance for a given fiscal year annual payment update. IRFs still have 90 days to submit an exception and extension request from the time of an event occurring due to extraordinary circumstances, and 30 days from the initial notification of noncompliance to submit a request for reconsideration. Because our policy, as finalized in the FY 2014 IRF PPS final rule (78 FR 47919) does not specify a deadline for an IRF to submit its request for such an extension during the reconsideration period, we are providing a clear timeframe of 30 days for this process.

Comment: One commenter noted it is unclear how long it typically takes for a decision to be issued following the submission of a request for reconsideration and clearer guidance should be provided on the expected timeline for CMS's response to such requests.

Response: There is currently no fixed timeframe for CMS to make a determination on a request for reconsideration. Submissions are thoroughly reviewed, and determinations are made as promptly as possible. We understand the payment implications that a determination of non-compliance can have on an IRF and perform all due diligence when making such determinations.

Comment: Several commenters expressed support for amending and clarifying the definition of extraordinary circumstances and appreciated CMS's efforts to improve policy clarity but had concerns about the definition of ''extraordinary circumstances.'' A few of these commenters asked whether significant staffing shortages or cybersecurity issues would be included in the definition, citing that they believed these are currently included in the definition of ''extenuating circumstances.'' A few commenters recommended that CMS include EHR down time, including those as a result of cyberattacks and vendor outages, in the definition of extraordinary circumstances.

Response: As stated in the proposed rule, we define extraordinary circumstances as ''events beyond the control of the IRF (for example, a natural or man-made disaster)'' (90 FR 18551). While we recognize that events like cyberattacks or EHR outages may disrupt operations, the agency expects providers to maintain contingency plans to mitigate such risks regarding patients' personal health information. As such, these events are not automatically considered extraordinary circumstances. This is also the case for staffing shortages as facilities are responsible for ensuring adequate and safe staffing. However, we evaluate each request on a case-by-case basis and will consider whether certain situations can qualify as an ''extraordinary circumstance.''

Comment: A couple commenters expressed concern about CMS's proposed change from ''extenuating circumstances'' to ''extraordinary circumstances.'' They requested more information on the implications of this terminology shift and emphasized the need for consistent application that fully considers situations beyond IRF's control. They also sought clarification on whether the threshold for reconsideration would change under the new definition.

Response: We appreciate the commenters' concerns about the historical use of the term ''extenuating circumstances'' in prior rulemaking. identified inconsistencies between regulatory text and preamble language and our intent is to clarify and standardize the reconsideration process by defining and consistently applying the term ''extraordinary circumstances'' to refer to events beyond the IRF's control (for example, natural or man-made disasters). This clarification ensures a single, clear standard and promotes consistency and transparency moving forward. This approach aligns with policies used in other CMS quality reporting programs. We remain committed to reviewing documentation on a case-by-case basis and will continue to consider all relevant evidence demonstrating that circumstances outside of the IRF's control impacted data reporting.

Comment: A few commenters supported the proposed change but urged CMS to issue sub-regulatory guidance to clarify expectations and documentation requirements, emphasizing that clear and timely guidance is essential to prevent financial harm to IRFs and protect patient access to care.

Response: We appreciate the commenters' support for the proposed change and their emphasis on the importance of clear guidance, especially given commenters' concerns for the potential implications for IRFs' financial stability and patient access to care. The intent behind codifying the term ''extraordinary circumstances'' is to

establish a single, consistent and clearly defined standard for reconsideration requests. To support this, we outline expectations for documentation and qualifying circumstances in both the regulatory text and preamble of this final rule. Additional guidance is also available on CMS's Inpatient Rehabilitation Facility (IRF) Quality Reporting Program (QRP) Reconsideration and Exception & Extension web page,[13] which will be uploaded to reflect the policies and new regulations finalized in this rule. CMS believes these resources provide adequate guidance and encourage IRFs to consult them when preparing reconsideration requests.

Comment: Several commenters opposed CMS's proposal to replace the ''extenuating circumstances'' standard, which includes a valid and justifiable excuse for noncompliance, with what they believed to be a more restrictive ''extraordinary circumstances'' threshold. These commenters stated that the existing standard provides essential flexibility and better reflects the complex realities providers face. They expressed concern that codifying a narrower definition would raise the bar for relief, making it harder for IRFs to contest penalties, even in good faith situations. While some supported the proposal to allow reconsiderations deadline extensions, they stressed that this flexibility does not offset the risks of adopting a more rigid reconsideration standard.

Response: Regarding the commenters' recommendation to retain ''extenuating circumstances'' as the standard for granting reconsiderations extension requests, our goal is to align the reconsideration process with other post-acute quality reporting programs and reconsideration processes. We intend to remove the use of two separate terms and instead adopt a single, consistent standard, ''extraordinary circumstances'', to refer to events beyond the control of the IRF (for example, a natural or man-made disaster). The goal of this proposal is not to reduce flexibility but to clarify that this policy is only applicable in the case of an extraordinary circumstance beyond the control of an IRF, which aligns the IRF QRP policy with the LTCH QRP (90 FR 18350 through 18352) and SNF QRP (90 FR 18605 and 18606) proposals. We believe that the proposed standard provides more clarity about the circumstances that will be considered for a request for an extension to file a reconsideration request.

After consideration of the public comments, we are finalizing our proposal to amend the IRF QRP Reconsideration policy to permit IRFs to request an extension to file a reconsideration request and to codify this proposed policy and process at § 412.634(d)(6) and (d)(7).

3. Update to the Bases on Which CMS Can Grant a Reconsideration Request

As discussed previously, in the FY 2014 IRF PPS final rule, we stated that, after we review an IRF request for reconsideration, we may reverse our initial finding of non-compliance if: (1) the IRF provides proof of compliance with all requirements during the reporting period; or (2) the IRF provides adequate proof of a valid or justifiable excuse for non-compliance if the IRF was not able to comply with requirements during the reporting period (78 FR 47919). We also stated that we will uphold an initial finding of non-compliance if the IRF cannot show any justification for non-compliance (78 FR 47919).

In the FY 2015 IRF PPS final rule (79 FR 45918 and 45919), we reiterated this position, and provided that, as part of its reconsideration request, the IRF must submit all supporting documentation and evidence demonstrating: (1) full compliance with all IRF QRP reporting requirements during the reporting period; or (2) extenuating circumstances that affected noncompliance if the IRF was not able to comply with the requirements during the reporting period (79 FR 45919). We stated that we would not review any reconsideration request that fails to provide the necessary documentation and evidence along with the request (79 FR 45919).

As previously discussed, we codified our reconsideration policy at § 412.634(d) in the FY 2014 IRF PPS final rule (78 FR 47919). Our regulation at § 412.634(d)(3) requires that an IRF's request for reconsideration include accompanying documentation that demonstrates the IRF's compliance with the IRF QRP requirements. Then, we will notify the IRF in writing regarding our final decision on its reconsideration request (§ 412.634(d)(5)).

We believe it would be beneficial for IRFs if we codify our specific bases for granting a reconsideration request in our regulation at § 412.634(d).

On these bases, we proposed to modify our reconsideration policy to provide that we will grant a timely request for reconsideration, and reverse an initial finding of non-compliance, only if CMS determines that the IRF was in full compliance with the IRF QRP requirements for the applicable program year. We stated that we would consider full compliance with the IRF QRP requirements to include CMS granting an exception or extension to IRF QRP reporting requirements under our ECE policy at § 412.634(c). However, to demonstrate full compliance with our ECE policy, CMS stated that the IRF would need to comply with our ECE policy's requirements, including the specific scope of the exception or extension as granted by CMS.

We proposed to revise § 412.634 (d)(5) to codify this modified policy in our regulation. We proposed that the remainder of the text at § 412.634(d)(5) would remain the same. We noted that we considered proposing similar modifications across all post-acute care setting quality reporting programs to more closely align the reconsideration processes.

We invited comment on these proposals to amend the bases by which we grant a reconsideration request under the IRF QRP Reconsideration policy and to codify this proposed policy at § 412.634(d)(5).

We did not receive any comments on our proposal to update the bases on which CMS can grant a Reconsideration Request.

We are finalizing our proposal to amend the bases by which we grant a reconsideration request under the IRF QRP Reconsideration policy, and to codify this proposed policy at § 412.634(d)(5), with a minor technical modification to refer to the regulated entity in the singular instead of the plural form (that is, the IRF instead of IRFs).

F. IRF QRP Measure Concepts Under Consideration for Future Years—Request for Information (RFI): Interoperability, Well-Being, Nutrition & Delirium

In the proposed rule, we sought input on the importance, relevance, appropriateness, and applicability of each of the quality measure concepts under consideration listed in Table 9 for future years in the IRF QRP. In the FY 2025 IRF PPS proposed rule (89 FR 22280 through 22281), we included a request for information (RFI) on a set of principles for selecting and prioritizing IRF QRP measures, identifying measurement gaps and suitable measures for filling these gaps. We refer readers to the FY 2025 IRF PPS final rule (89 FR 64323 and 64325) for a summary of the public comments we received in response to the RFI.

[13] Inpatient Rehabilitation Facility (IRF) Quality Reporting Program (QRP) Reconsideration and Exception & Extension. *https://www.cms.gov/medicare/quality/inpatient-rehabilitation-facility/irf-quality-reporting-reconsideration-and-exception-extension.*

We sought input on four concepts for future measures for the IRF QRP. We refer readers to the FY 2026 IRF PPS proposed rule (90 FR 18552 through 18553) for a description of each of the quality measure concepts under consideration for this RFI.

TABLE 9—FUTURE MEASURE CONCEPTS UNDER CONSIDERATION FOR THE IRF QRP

Quality measure concepts
Interoperability.
Well-being.
Nutrition.
Delirium.

We received public comments on this RFI. The following is a summary of the comments we received:

1. Interoperability

Comments: A few commenters supported a measure of interoperability, saying that seamless exchange of information across care settings is critical for timely care and safety and improves care coordination and communication. Commenters also noted that the effort to capture the extent of adoption of these systems is a step towards encouraging interoperability. These commenters noted the importance of data collection and use, but some commenters suggested CMS focus on improving transparency in certified health IT and promoting standards-based data exchange.

Some commenters provided recommendations for CMS to consider on interoperability. One commenter suggested CMS collaborate with IRFs to ensure that any measures related to interoperability account for the differences between the data elements used in IRFs and those collected in other settings. Another commenter recommended the measure to be standard- based, outcome driven, and clinically meaningful when considering implementation of interoperability. Other commenters noted that there are two existing assessment-based quality measures related to interoperability that exist in IRFs already and are an indication of IRF readiness for interoperable data exchange.

Other commenters stated they were concerned about a measure of interoperability. One commenter stated that CMS has not supported IT systems in IRFs and has not provided financial support for it. Another commenter voiced their concerns about the measure, noting that there are differences in EHRs for acute care hospitals and IRFs.

2. Well-Being

Comments: A few commenters provided recommendations on the measure of well-being. One commenter recommended CMS to consider the quality measure Ambulatory Palliative Care Patients' Experience of Feeling Heard and Understood (''Feeling Heard and Understood''). This is a performance measure (PRO–PM) that focuses on palliative care patients' experience. Another commenter recommended that the measure should reflect the amount of independence and physical activity achieved during the IRF stay, and ensure patients receive enough therapy to achieve the agency's goals on well-being. Another commenter recommended CMS to consider HR 6110, Access to Inpatient Rehabilitation Therapy Act of 2023 when considering the measure of well-being. Another commenter recommended CMS to consider using Person-Centered Outcome measures to promote a patient-centric approach to the measure. One commenter suggested CMS to be mindful of provider burden and encourages CMS to conduct a technical expert panel to consider the implementation of well-being measures.

Several commenters noted the importance of a well-being measure but also voiced concerns about the measure. Some commenters stated that well-being is a broad and difficult concept to define, while other commenters noted that it is challenging to determine well-being measurements and recommend CMS to identify tools related to well-being. A few commenters noted that well-being is already captured in existing measures and recommend avoiding duplication, which would be a new burden for staff. Another commenter noted that the measure must be validated, feasible to collect and sensitive to the IRF setting while one commenter recommends CMS to work closely with nurses for data collection.

Some commenters opposed a measure of well-being, saying that well-being is a general concept that is difficult to define and assess while others stated that this would be redundant, based on items currently on the IRF–PAI.

3. Nutrition

Comments: A few commenters supported a measure of nutrition, saying that malnutrition contributes to poor rehab outcomes and that a nutrition measure will be cost-effective and essential for improving clinical outcomes. Other commenters recommended CMS work closely with nurses for data collection and noted that nutrition is important and suggested patients should be provided with an individualized nutrition plan during their stay and at the time of discharge. A couple of commenters noted that the medical and therapeutic intervention provided in an IRF are promoting healthy eating habits, exercise, nutrition, or physical activity for optimal health and well-being.

A few commenters provided recommendations for the nutrition measure. One commenter recommended CMS collaborate with IRFs on the development of tools and measures appropriate to the setting to ensure there is no additional burden on staff and suggested CMS to work with the provider community on how to measure nutrition. Some commenters suggested that CMS focus on whether patients have the necessary information they need and have the support to address nutrition-related concerns, and a nutrition measure related to adequate nutrition and hydration in patients with feeding and swallowing disorders. Some commenters suggested that new measures should build on existing practices to avoid duplication or better suited as assessment items in the IRF–PAI than as a quality measure in the IRF QRP because the concept is not tied to the care patients receive in an IRF setting. Another commenter recommended the focus be on provision and documentation of patient education on nutrition while another commenter provided a list of principles for CMS to consider on nutrition including improving outcomes, meeting patient needs, screening intervals and duplication, and strength-based approach.

Some commenters voiced their concerns on the measure, noting that the additional requirement for data collection and documentation would be redundant and burdensome for staff while others stated that nutrition aspects are covered in existing measures or protocols.

4. Delirium

Comments: A few commenters were supportive of the measure but also provided recommendations on the process. A commenter voiced their support for a measure of delirium and recommended CMS to work closely with nurses for data collection and another commenter recommended CMS consider the use of nonpharmacological treatments for delirium such as caregiver training and staff education. They also shared a list to CMS on delirium severity measure assessment tools including Confusion Assessment Methods and Delirium-Ometer. Other commenters recommended CMS utilize

the ICD–10 in the IRF–PAI for delirium. Some commenters recommended the use of ICD–10 to evaluate delirium but suggest that the Signs and Symptoms of Delirium from the IRF–PAI assessment data elements be removed.

A few commenters suggested CMS consider the additional burden on providers to report the measure. Another commenter noted that delirium is not prevalent in IRFs and suggested the use of Signs and Symptoms of Delirium (from the Confusion Assessment Methods CAM©) to measure delirium.

A few commenters voiced their concerns about a delirium measure, stating that CMS should not develop a delirium measure as it is already collected through the IRF–PAI and will create additional burden on providers. Other commenters voiced similar concerns, noting that the prevalence of delirium in IRFs is low and that delirium is already reported in the IRF–PAI and that CMS should consider the potential additional burden of a new measure. One commenter had concerns about the measure stating that IRFs will have to be accountable for treatment of patients with delirium and recommended CMS to evaluate the efficacy of the measure and the inclusion to be endorsed by a Consensus-Based Entity.

5. Other Suggestions for Future Measure Concepts

Comments: In addition to comments received on the four measure concepts of interoperability, well-being, nutrition, and delirium, we also received comments on concerns and recommendations on future measure concepts in this RFI. One commenter recommended CMS to use measures in the Universal Foundation for the IRF QRP and noted that the measures benefit patient care while lowering provider reporting burden. A couple of commenters noted that the future measures should focus on data collection and reducing provider burden and recommended CMS to apply guiding principles including actionability, comprehensiveness, and conciseness to support finalizing new measures or making changes to existing measures. Another commenter suggested CMS to examine what data are already being collected, determine what data that is available, and provide transparency about the planned uses of the data collected. Finally, one commenter recommended CMS consider whether additional measures will contribute to improved outcomes as additional assessment requirements may compromise clinical efficiency.

Response: We thank all the commenters for responding to this RFI. While we are not responding to specific comments in response to the RFI in this final rule, we will take this feedback into consideration for our future measure development efforts for the IRF QRP.

G. Potential Future Revisions Under Consideration for the Inpatient Rehabilitation Facility Patient Assessment Instrument (IRF–PAI)—Request for Information (RFI)

1. Background

In the Fiscal Year (FY) 2002 IRF PPS final rule (66 FR 41324 through 41328), we finalized the use of the IRF–PAI, which IRFs must use to assess Medicare Part A Fee-for-Service (FFS) patients admitted to or discharged from an IRF. The FY 2010 IRF PPS final rule (74 FR 39762 and 39799) established the requirement to submit an IRF–PAI for each Part C (Medicare Advantage) patient admitted to or discharged from an IRF on or after October 1, 2009. In the FY 2023 IRF PPS final rule (87 FR 47074 through 47082), CMS finalized that IRFs are required to report these data with respect to admission and discharge for all patients, regardless of payer, discharged on and after October 1, 2024. For each patient, an IRF must complete an IRF–PAI, as specified at §§ 412.606 and 412.610(c), and must transmit both the admission patient assessment and the discharge patient assessment at the same time to the CMS patient data system as described at § 412.614.

Unlike other Post Acute Care (PAC) settings, such as Skilled Nursing Facilities (SNFs) and Long-Term Care Hospitals (LTCHs), the IRF–PAI does not distinguish discharge types into unplanned, expired, and planned. SNFs and LTCHs do not need to submit certain assessment items depending on the type of discharge a patient has, decreasing the overall assessment submission burden.

Additionally, the IRF–PAI is now collected on all IRF patients, including pediatric patients. This RFI would seek feedback on the potential development of a pediatric assessment that would better measure the quality of care for that patient population.

2. Potential Future Revisions Under Consideration for the IRF–PAI To Reduce Burden and Streamline Data Collection for IRFs

We sought feedback on potential revisions to the IRF–PAI to reduce burden and streamline data collection for IRFs. Specifically, we sought input on the following questions:

- How can CMS increase clarity around the definition of an unplanned discharge and which items would be required for unplanned discharges? How would IRFs recommend CMS implement skip patterns for certain items depending on how an IRF patient is discharged?
- Should CMS consider a pediatric IRF–PAI assessment to reduce burden, streamline the assessment process, and focus on age-appropriate assessment items for the pediatric population?
- Are there other ways to revise the IRF–PAI to reduce burden and streamline data collection in IRFs?

The following is a summary of the comments we received:

Comments: We received many comments with input on the IRF QRP definition of an unplanned discharge, including the types of discharges that should align with the definition. A few commenters requested that CMS provide clear, detailed guidance on planned and unplanned discharges, including timeframes and scenarios. Many commenters stated that they did not support separating the IRF–PAI into multiple assessments but supported an approach that used skip logic to reduce burden in the case of an incomplete stay. One commenter suggested that the skip logic should include admission items in the event of an unplanned discharge within the first 3 days of the IRF stay. Several commenters provided recommendations for which items should be omitted in the event of an incomplete stay. A few commenters recommended that CMS convene a technical expert panel or reach out to a broad range of IRF providers, IRF–PAI coordinators, and interested parties before finalizing the definition.

Many commenters provided feedback about revising the IRF–PAI to reduce provider burden, including removing items they believe are duplicative, not applicable to IRF QRP quality measures, not impactful to patient care and planning, or not tied to payment. Several commenters provided suggestions for adding skip logic and modifying the IRF–PAI to streamline data collection. A few commenters recommended items that they don't believe need to be collected at multiple timepoints (for example, admission and discharge) to reduce burden. One commenter suggested extending the timeframes for the completion of items at admission and discharge.

Several commenters supported the consideration of a separate pediatric IRF–PAI assessment, citing that many items are not applicable to younger

patients. A few commenters made recommendations for existing data collection instruments that could be used for this purpose. However, a few commenters did not recommend a separate pediatric assessment and instead suggested that CMS use skip logic to reduce the number of items that are needed on the existing IRF–PAI.

A few commenters suggested removing the requirement to collect IRF–PAI data on all patients, regardless of payer.

Response: We thank the commenters for their input and recommendations. While we will not be responding to specific comments submitted in response to this RFI in this final rule, we intend to use this input to inform our future IRF–PAI development efforts.

H. Potential Revision of the Final Data Submission Deadline Period From 4.5 Months to 45 Days—Request for Information (RFI)

We requested feedback on this potential future reduction of the IRF QRP data submission deadline from 4.5 months to 45 days that are under consideration. We refer readers to the proposed rule for the full text of the RFI (90 FR 18553 and 18554). Specifically, we requested comment on:

- How this potential change could improve the timeliness and actionability of IRF QRP quality measures;
- How this potential change could improve public display of quality information; and
- How this potential change could impact IRF workflows or require updates to systems.

We noted in the proposed rule that we intend to use this input to inform our program improvement efforts. The following is a summary of the comments we received and our response.

Comments: Several commenters supported the reduction of the data submission timeframe, citing that most facilities already comply with this expectation. These commenters believed that timelier submission would improve the accuracy of the assessments and facilitate the communication of clinical feedback to IRFs more quickly. One commenter stated that a shortened timeframe will prove more value for consumers, professionals, and facilities. Two commenters stated that accelerated submission timelines ensure timely submission for payments, with several citing that most facilities already comply with this expectation.

Many commenters expressed concerns about a reduction in the data submission timeframe. Several cited increased provider burden as a key concern. These commenters noted that a reduced timeline could make it more difficult to meet data completion and accuracy thresholds within a shortened timeframe. Several commenters expressed concerns that there would be increased risk of compromised quality of data and a decrease in the number of completed assessments. Several commenters had concerns about the potential for increased compliance penalties. One commenter stated that the 1.6 percent of assessments submitted after the deadline could translate to hundreds of assessments statewide that might miss the cutoff and put hospitals at risk of noncompliance penalties. Another commenter stated that this reduced timeframe will result in fewer complete assessments, emphasizing that IRF–PAI assessments are not the only data required to report under the IRF QRP. Another commenter expressed concern over the limited technical capabilities and systems in IRFs, stating that it is unclear how shortening the reporting timeframe will increase compliance.

A few commenters were concerned about the effects on the quality of data submitted. One commenter believed that if IRFs are forced to prioritize speed over validation, there is a risk of increased data errors, missing information, or reduced staff engagement with meaningful quality improvement work. They believe that any gains in timeliness would be negated if the data reported is less reliable or actionable due to submission pressures. Another commenter was concerned that with the increase in discharges towards the end of the quarter, coding and clinical administrative staff would be strained to meet the mid-quarter deadlines and would have limited time for quality assurance checks. This commenter noted that IRFs often allow clinicians a reasonable period after discharge to complete and validate documentation, especially for complex cases or situations when therapists and physicians must collaborate on the final functional assessments. A 45-day deadline after the end of the quarter would force an accelerated timeline, potentially requiring staff to input and lock data very soon after discharge, which the commenter believed could compromise the quality of data. A few commenters believed that shortening the time frame could lead to reporting incorrect or misleading information on Care Compare.

Some commenters cited special circumstances that could delay reporting, including system outages or changes of ownership (CHOW) where a new owner must obtain access to the Internet Quality Improvement & Evaluation System (iQIES). Another commenter was concerned about the impact on IRFs with limited IT staff or those undergoing electronic health records (EHR) transitions. These circumstances would delay reporting and verification processes. Commenters expressed concern over the increased risk for small rural providers who have fewer staff dedicated to quality data management and may be at greater risk of missing the deadline and experiencing non-compliance penalties. A few commenters provided recommendations about other ways to reduce the timelines, including 60 or 90 days. A few other commenters recommended a phased implementation approach.

A few commenters recommended that CMS instead implement an expedited public reporting process, focusing on CMS's processing and public reporting timeline. They also suggested that CMS provide real-time feedback reports to IRFs to encourage ongoing data submission throughout the quarter. Another commenter recommended that CMS conduct additional analyses and solicit further input from facilities on what timeframe would strike the best balance of feasibility and timeliness. One commenter emphasized the importance of quality programs remaining in alignment with this revised timeframe.

Response: We appreciate the input provided by commenters. While we will not be responding to specific comments submitted in response to this RFI in this final rule, we intend to use this input to inform our program improvement efforts.

I. Advancing Digital Quality Measurement in the IRF QRP—Request for Information

As part of our effort to advance the digital quality measurement (dQM) transition, we issued this request for information (RFI) to gather broad public input on the dQM transition in IRFs.

1. Background

We are committed to improving healthcare quality through measurement, transparency, and public reporting of quality data, and to enhancing healthcare data exchange by promoting the adoption of interoperable health IT) that enables information exchange using Fast Healthcare Interoperability Resources® (FHIR®) standards. Proposing to require the use of such technology within the IRF QRP in the future could potentially enable greater care coordination and information sharing, which is essential

for delivering high-quality, efficient care and better outcomes at a lower cost (86 FR 25615). In the fiscal years 2020, 2021, 2022, and 2023 IRF PPS proposed rules,[14] we outlined several Department of Health and Human Services (HHS) initiatives aimed at promoting the adoption of interoperable health IT and facilitating nationwide health information exchange. Further, to inform our digital strategy, in the FY 2022 IRF PPS proposed rule (86 FR 25615), we shared and sought feedback on the following:

- Our intent is to explore the use of FHIR®-based standards to exchange clinical information through application programming interfaces (APIs).
- Enabling quality data submission to CMS through our internet Quality Improvement and Evaluation System (iQIES).
- To work with healthcare standards organizations to ensure their standards support our assessment tools.

We considered opportunities to advance FHIR®-based reporting of patient assessment data for the submission of the IRF–PAI and other existing systems such as the Centers for Disease Control and Prevention's (CDC) National Healthcare Safety Network (NHSN) for which IRFs have current CMS reporting requirements. Our objective is to explore how IRFs typically integrate technologies with varying complexity into existing systems and how this affects IRF workflows. In this RFI, we sought to identify the challenges and/or opportunities that may arise during this integration, and determine the support needed to complete and submit quality data in ways that protect and enhance care delivery.

We also sought input on future measures under consideration including applicability of interoperability as a future measure concept in post-acute care settings, including the IRF QRP. Refer to section VII.E. of the proposed rule for more information.

Any updates specific to the IRF QRP program requirements related to quality measurement and reporting provisions would be addressed through separate and future notice-and-comment rulemaking, as necessary.

2. Solicitation for Comment

We sought feedback on the current state of health IT use, including electronic health records (EHRs), in IRF facilities:

- To what extent does your IRF use health IT systems to maintain and exchange patient records? If your facility has transitioned to using electronic records, in part or in whole, what types of health IT does your IRF use to maintain patient records? Are these health IT systems certified under the Office of the National Coordinator for Health Information Technology (ONC Health IT) Certification Program? If your facility uses health, IT products or systems that are not certified under the ONC Health IT Certification Program, please specify. Does your facility use EHRs or other health IT products or systems that are not certified under the ONC Health IT Certification Program? If no, what is the reason for not doing so? Do these other systems exchange data using standards and implementation specifications adopted by HHS? Does your facility maintain any patient records outside of these electronic systems? If so, are the data organized in a structured format, using codes and recognized standards, that can be exchanged with other systems and providers?
- Does your IRF submit patient assessment data to CMS directly from your health IT system without the assistance of a third-party intermediary? If a third-party intermediary is used to report data, what type of intermediary service is used? How does your facility currently exchange health information with other healthcare providers or systems, specifically between IRFs and other provider types? What about health information exchange with other entities, such as public health agencies? What challenges do you face with electronic exchange of health information?
- Are there any challenges with your current electronic devices (for example, tablets, smartphones, computers) that hinder the ability to easily exchange information across systems? Please describe any specific issues you encounter. Does limited internet or lack of internet connectivity impact your ability to exchange data with other healthcare providers, including community-based care services, or your ability to submit patient assessment data to CMS? Please specify.
- What steps does your IRF take with respect to the implementation of health IT systems to ensure compliance with applicable security and patient privacy requirements such as HIPAA?
- Does your IRF refer to the Safety Assurance Factors for EHR Resilience (SAFER) Guides (see newly revised versions published in January 2025 at *https://www.healthit.gov/topic/safety/safer-guides*) to self-assess EHR safety practices?
- What challenges or barriers does your facility encounter when submitting quality measure data to CMS as part of the IRF QRP? What opportunities or factors could improve your facility's successful data submission to CMS?
- What types of technical assistance guidance, workforce trainings, and/or other resources would be most beneficial for the implementation of FHIR®-based technology in your facility for the submission of the IRF–PAI to CMS and other existing systems such as CDC's National Healthcare Safety Network (NHSN) for which IRFs have current CMS reporting requirements? What strategies can CMS, HHS, or other Federal partners take to ensure that technical assistance is both comprehensive and user-friendly? How could Quality Improvement Organizations (QIOs) or other entities enhance this support?
- Is your facility using technology that utilizes APIs based on the FHIR® standard to enable electronic data sharing? If so, with whom are you sharing data using the FHIR® standard and for what purpose(s)? For example, have you used FHIR® APIs to share data with public health agencies? Does your facility use any Substitutable Medical Applications and Reusable Technologies (SMART) on FHIR® applications? If so, are the SMART on FHIR® applications integrated with your EHR or other health IT?
- How do you anticipate the adoption of technology using FHIR®-based APIs to facilitate the reporting of patient assessment data that could impact provider workflows? What impact, if any, do you anticipate it will have on quality of care?
- What benefits or challenges have you experienced with implementing technology that uses FHIR®-based APIs? How can adopting technology that uses FHIR®-based APIs to facilitate the reporting of patient assessment data impact provider workflows? What impact, if any, does adopting this technology have on quality of care?
- Does your facility have any experience using technology that shares electronic health information using one or more versions of the United States Core Data for Interoperability (USCDI) standard? [15]
- Would your IRF and/or vendors be interested in participating in testing to explore options for transmission of assessments, for example testing the

[14] ''Advancing Health Information Exchange'' in: FY 2020 IRF PPS proposed rule (84 FR 19170), FY 2021 IRF PPS proposed rule (85 FR 32470), FY 2022 IRF PPS proposed rule (86 FR 25085), and FY 2023 IRF PPS proposed rule (87 FR 28122).

[15] For more information about USCDI see *https://www.healthit.gov/isp/united-states-core-data-interoperability-uscdi.*

transmission of a FHIR®-based assessment to CMS?

- How could the Trusted Exchange Framework and Common Agreement™ (TEFCA™) support CMS quality programs' adoption of FHIR®-based assessment submissions consistent with the FHIR® Roadmap (available here: *https://rce.sequoiaproject.org/three-year-fhir-roadmap-for-tefca/*)? How might patient assessment data hold secondary uses for treatment or other TEFCA exchange purposes?
- What other information should we consider facilitating successful adoption and integration of FHIR®-based technologies and standardized data for patient assessment instruments like the IRF–PAI? We invite any feedback, suggestions, best practices, or success stories related to the implementation of these technologies.

We invited feedback, suggestions, best practices, or success stories related to the implementation of these technologies. We noted in the proposed rule that we will use this input to inform our future dQM transition efforts. The following is a summary of the comments we received and our response.

Comments: Many commenters expressed support for a transition to dQMs in the IRF QRP, citing that using FHIR as a standard can alleviate administrative burden and data quality. Many of these commenters supported the transition but had recommendations for CMS on successful implementation for IRFs, including a phased implementation or ''glide path'' approach, reporting flexibility, and more time to update systems after CMS finalizes a change to QRP requirements. One commenter encouraged CMS to work with QIOs, EHR vendors and third-party intermediaries to develop standard protocols for integration. Many commenters also requested robust technical assistance and clear implementation guides for any new dQM requirements.

Several commenters recommended funding or incentive opportunities to obtain resources and technology for improved exchange of health information. A few commenters noted that implementation and updating EHRs is resource intensive, and that IRFs, along with other PAC providers, were not included in Meaningful Use funding through the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009. Another commenter recommended funding for IRFs to update and modernize their systems for FHIR, as well as recommending updates to all CMS billing, NHSN, and iQIES systems' technical capabilities to support consistency and direct transfer of data from providers. Another commenter suggested that CMS provide rural or hardship exceptions as part of dQM standards.

A few commenters had concerns about the differences in dQM and IT readiness across IRFs. These commenters suggested that CMS should fund pilot programs for small and rural IRFs to test FHIR-based quality reporting. Other commenters believed that for-profit IRFs have historically underinvested in Health IT and recommended that CMS stratify by facility type and ownership status when assessing IRF readiness for dQM.

A few commenters had concerns with the dQM transition. One commenter believed that the issue of different patient identification systems between EHR systems would be a roadblock and recommended that CMS create a unified unique patient identified to facilitate interoperability. Another commenter noted challenges related to creating reliable rehabilitation functionality for CMS regulations within their electronic health records. This commenter also described challenges related to IRF–PAI workflows and encouraged implementing FHIR protocols for integration standardization.

Several commenters provided detailed responses to the RFI's questions about their facility's current state of health IT use, challenges and/or opportunities that may arise during integration of technologies with varying complexity into existing IRF systems, how it affects workflow, and what support may be needed to complete and submit quality data in ways that protect and enhance care delivery.

Response: We thank commenters for their feedback. While we will not be responding to specific comments submitted in response to this RFI in this final rule, we intend to use this input to inform our futured dQM transition work.

J. Form, Manner, and Timing of Data Submission Under the IRF QRP

We did not propose any new policies regarding Form, Manner, and Timing of Data Submission Under the IRF QRP in the proposed rule.

K. Policies Regarding Public Display of Measure Data for the IRF QRP

1. Background

For a more detailed discussion about our policies regarding public display of IRF QRP measure data and procedures for the opportunity to review and correct data and information, we refer readers to the FY 2017 IRF PPS final rule (81 FR 52125 through 52131).

2. Ending the Public Display of COVID–19 Vaccination Coverage Among Healthcare Personnel (HCP) Measure

In the FY 2022 IRF PPS final rule (86 FR 42402), we finalized our proposal to publicly report the COVID–19 Vaccination Coverage among Healthcare Personnel (HCP) measure beginning with the September 2022 Care Compare refresh on *Medicare.gov.* In the FY 2026 IRF PPS proposed rule (90 FR 18549 and 18550), we proposed to remove the HCP COVID–19 Vaccine Measure beginning with the FY 2026 IRF QRP. We proposed IRFs HCP COVID–19 vaccination coverage rates will be publicly reported for the last time with the September 2025 Care Compare refresh on *Medicare.gov,* based on data from Q4 of 2024. Thereafter, we proposed that if finalized, we would no longer display IRFs' HCP COVID–19 rates on the Care Compare tool at *Medicare.gov.*

We invited comment on our proposal to end public display of the HCP COVID–19 Vaccine measure rates after the September 2025 Care Compare refresh on the Care Compare tool at *Medicare.gov.*

The following is a summary of the public comments received on the proposal to end public display of the HCP COVID–19 vaccination coverage.

Comment: One commenter supported the proposal to remove public reporting for this measure as proposed.

Response: We thank the commenter for their support.

Comment: A few commenters recommended that the public reporting for this measure end earlier than proposed, specifically as soon as the rule is finalized.

Response: We plan to cease publicly reporting data for this measure moving forward, as soon as it is technically feasible to do so, which for this measure is after the September 2025 Care Compare refresh. While data from 2024 Q4 will be displayed in that refresh, it would not be used for payment determination. As we note in section VIII.C.1. of this rule, IRFs that did not report their CY 2024 reporting period data for the HCP COVID–19 measure would not be penalized for FY 2026 payments.

Comment: One commenter wanted to retain the public display of the HCP COVID–19 Vaccine measure on Care Compare through 2026 for transparency and accountability, citing that public quality data can motivate compliance and inform consumer choice.

Response: We agree with the commenter on the importance of public reporting. We believe that we can inform consumer choice. Consistent with past practices, all previously reported and archived HCP COVID–19 Vaccine measure data will remain on the Care Compare tool at *Medicare.gov* for the purposes of transparency and accountability. We will not calculate and post any new data for this measure after the September 2025 Care Compare refresh on *Medicare.gov.*

After consideration of the public comments, we are finalizing our proposal that the HCP COVID–19 Vaccine measure rates would be publicly reported for the last time with the September 2025 Care Compare refresh on *Medicare.gov,* based on data from Q4 of 2024.

3. Ending the Public Display of Patient/Resident COVID–19 Vaccine Measure

In the FY 2024 IRF PPS final rule (88 FR 51042 and 51042), we finalized our proposal to begin publicly displaying data for the Patient/Resident COVID–19 measure beginning with the September 2025 Care Compare refresh. In the FY 2026 IRF PPS proposed rule (90 FR 18549), we proposed to remove the Patient/Resident COVID–19 Vaccine Measure beginning with the FY 2028 IRF QRP. However, the reporting of data for the Patient/Resident COVID–19 Vaccine data item will be voluntary effective October 1, 2025. We proposed that the Patient/Resident COVID–19 vaccine measure rates would be publicly refreshed for the last time with the September 2025 Care Compare refresh on *Medicare.gov,* based on data from Q4 of 2024.

We invited public comment on our proposal to end the public display of Patient/Resident COVID–19 Vaccine measure data after the September 2025 Care Compare refresh on *Medicare.gov.*

The following is a summary of the public comments received on the proposal to end the public display of Patient/Resident COVID–19 Vaccine measure data.

Comment: One commenter supported the proposal to remove public reporting for this measure as proposed.

Response: We thank the commenter for their support.

Comment: A few commenters recommended that the public reporting for this measure end earlier than proposed. One commenter suggested ending public reporting as soon as the rule is finalized, and another suggested ending public reporting as soon as the measure is removed.

Response: We plan to cease publicly reporting data on this measure, moving forward, as soon as it is technically feasible to do so, which is after the September 2025 Care Compare refresh. Consistent with past practices, all previously reported and archived Patient/Resident COVID–19 Vaccine measure data will remain on the Care Compare tool at *Medicare.gov.*

After consideration of the public comments, we are finalizing our proposal that the Patient/Resident COVID–19 vaccine measure rates would be publicly reported for the last time with the September 2025 Care Compare refresh on *Medicare.gov,* based on data from Q4 of 2024.

IX. Collection of Information Requirements

Under the Paperwork Reduction Act of 1995 (PRA), we are required to provide notice in the **Federal Register** and solicit public comment before a collection of information requirement is submitted to the Office of Management and Budget (OMB) for review and approval. In order to fairly evaluate whether an information collection should be approved by OMB, 44 U.S.C. 3506(c)(2)(A) requires that we solicit comment on the following issues:

- The need for the information collection and its usefulness in carrying out the proper functions of our agency.
- The accuracy of our estimate of the information collection burden.
- The quality, utility, and clarity of the information to be collected.
- Recommendations to minimize the information collection burden on the affected public, including automated collection techniques.

We solicited public comment on each of these issues for the following sections of this document that contain information collection requirements (ICRs):

A. ICRs for Proposed Updates Related to the IRF QRP

An IRF that does not meet the requirements of the IRF QRP for a fiscal year will receive a 2-percentage point reduction to its otherwise applicable annual increase factor for that fiscal year. We estimate that the burden associated with the IRF QRP is the time and effort associated with complying with the requirements of the IRF QRP. In section VIII.E of this final rule, we finalized our proposal to amend the IRF QRP reconsideration request policy and process. As we noted in the FY 2016 IRF PPS Final rule (80 FR 47131), we believe the reconsideration requirements, and the associated burden would be incurred subsequent to an administrative action. In accordance with the implementing regulations for the PRA (5 CFR 1320.4(a)(2) and (c)), the burden associated with any information collected subsequent to the administrative action is exempt from the requirements of the PRA. We have, however, provided detailed cost burden estimates in section XI.C.6.b. of this final rule. We welcomed public comments on the accuracy of the cost estimate assigned to this administrative burden.

1. Requirements for Proposed Updates Related to the IRF QRP Beginning With the FY 2026 IRF QRP

In section VIII.C.I of the proposed rule, we finalized our proposal to remove the COVID–19 Vaccination Coverage among Healthcare Personnel (HCP) (HCP COVID–19) measure, beginning with the FY 2026 IRF QRP.

We noted that the CDC would account for the burden associated with the HCP COVID–19 measure collection under OMB control number 0920–1317 (expiration 03/31/26). Currently, the CDC does not estimate burden for COVID–19 vaccination reporting under the CDC PRA package currently approved under OMB control number 0920–1317 because the agency has been granted a waiver under section 321 of the National Childhood Vaccine Injury Act of 1986 (Pub. L. 99–660, enacted on November 14, 1986 (NCVIA)).[16] However, CMS is providing an estimate of reduction in burden and cost for IRFs here. Consistent with the CDC's experience of collecting data using the NHSN, we estimate the removal of this measure will result in a reduction of 1 hour per month to collect data for the HCP COVID–19 measure and enter it into NHSN. We believe that this data would be entered by an administrative assistant. However, IRFs determine the staffing resources necessary.

For the purposes of calculating the costs associated with the collection of information requirements, we obtained median hourly wages from the U.S. Bureau of Labor Statistics' (BLS) May 2023 National Occupational Employment and Wage Estimates.[17] To account for overhead and fringe benefits, we have doubled the hourly

[16] Section 321 of the NCVIA provides the PRA waiver for activities that come under the NCVIA, including those in the NCVIA at section 2102 of the Public Health Service Act (*https://www.govinfo.gov/content/pkg/USCODE-2023-title42/pdf/USCODE-2023-title42-chap6A-subchapXIX-part1-sec300aa-2.pdf*). Section 321 is not codified in the U.S. Code but can be found in a note *(https://www.govinfo.gov/content/pkg/USCODE-2023-title42/pdf/USCODE-2023-title42-chap6A-subchapXIX-part1-sec300aa-1.pdf*).

[17] U.S. Bureau of Labor Statistics' (BLS) May 2023 National Occupational Employment and Wage Estimates. *https://www.bls.gov/oes/current/oes_nat.htm.*

wage. These amounts are detailed in Table 10.

TABLE 10—U.S. BUREAU OF LABOR AND STATISTICS' MAY 2023 NATIONAL OCCUPATIONAL EMPLOYMENT AND WAGE ESTIMATES

Occupation title	Occupation code	Median hourly wage ($/hr)	Other indirect costs and fringe benefit ($/hr)	Adjusted hourly wage ($/hr)
Administrative Assistants	43–6013	$18.01	$18.01	$36.02

We estimated that the removal of this measure from the IRF QRP will result in a reduction of 12 hours per IRF per year. Using FY 2024 data, we estimate a total of 1,166 IRFs annually for a decrease of 13,992 hours (12 hours × 1,166 IRFs) for all IRFs. Given an estimated $36.02 hourly wage, we estimate a decrease of $432.24 per IRF (12 hours × $36.02), or a decrease of $503,991.84 for all IRFs annually.

We have summarized the comments we received about the burden related to the Removal of the COVID–19 Vaccination Coverage among Healthcare Personnel (HCP) Measure in section VIII.C.1 of this final rule and provided responses. We received no comment on these burden estimates specifically.

After consideration of the public comments, we are finalizing our proposal to remove the COVID–19 Vaccination Coverage among HCP Measure.

2. ICRs for Proposed Removal of the COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date Measure Beginning With the FY 2028 IRF QRP

In section VIII.C.2 of this final rule, we finalized our proposal to remove the COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date (Patient/Resident COVID–19 Vaccine) measure, beginning with the FY 2028 IRF QRP. We identified the staff type based on past IRF burden calculations. We believe that the items would be completed equally by a Registered Nurse (RN) and a Licensed Practical and Licensed Vocational Nurse (LPN/LVN). However, IRFs determine the staffing resources necessary.

For the purposes of calculating the costs associated with the collection of information requirements, we obtained median hourly wages for these staff from the U.S. Bureau of Labor Statistics' (BLS) May 2023 National Occupational Employment and Wage Estimates.[18] To account for other indirect costs and fringe benefits, we doubled the hourly wage. These amounts are detailed in Table 11. We established a composite cost estimate using our adjusted wage estimates. The composite estimate of $70.10/hr was calculated by weighting each adjusted hourly wage equally (that is, 50 percent) [($82.76/hr × 0.5) + ($57.44/hr × 0.5) = $70.10].

TABLE 11—U.S. BUREAU OF LABOR AND STATISTICS' MAY 2023 NATIONAL OCCUPATIONAL EMPLOYMENT AND WAGE ESTIMATES

Occupation title	Occupation code	Median hourly wage ($/hr)	Other indirect costs and fringe benefit ($/hr)	Adjusted hourly wage ($/hr)
Registered Nurse (RN)	29–1141	$41.38	$41.38	$82.76
Licensed Practical and Licensed Vocational Nurse (LPN/LVN)	29–2061	28.72	28.72	57.44

The net result of removing the related Patient/Resident COVID–19 Vaccine Status item (O0350) beginning with the FY 2028 IRF QRP is a decrease of 0.3 minutes or 0.005 hour of clinical staff time at discharge. We estimated that the burden and cost for IRFs for complying with requirements of the FY 2028 IRF QRP would decrease under this proposal. Using FY 2024 data, we estimated a total of 622,300 discharges annually from 1,166 IRFs for a decrease of 3,111.5 hours (622,300 × 0.005 hour) for all IRFs, or 2.67 hours per IRF (3,111.5 hours/1,116 IRFs). Given 0.005 hours at $70.10 per hour to complete an average of 533.7 IRF–PAIs per IRF per year, we estimated the total cost will be decreased by $187.06 per IRF annually, or $218,116.15 for all IRFs annually.

We have summarized the comments we received about the burden related to the Removal of the Patient/Resident COVID–19 Vaccine Measure in section VIII.C.2 of this final rule and provided responses. We received public comments on the accuracy of the cost estimate assigned to this administrative burden, and provide a summary of those comments:

Comment: A few commenters stated that the burden estimate for this measure is not accurate, citing that it does not account for costs associated with the education/training of clinicians, reconciling patient vaccination status among the various sources, administering vaccinations, or providing payment for technological solutions to obtain this.

Response: We appreciate the commenters' feedback. Our current burden estimates do not include the cost of individual provider education and training needs, or those related to technological updates to software and hardware. Our burden estimates are doubled to provide for overhead and fringe benefits, which we believe accounts for the time it takes for staff to report items that are assessed as part of routine clinical care and medical charting in an IRF. Our removal of this item is in line with provider feedback that this item is no longer part of the

[18] U.S. Bureau of Labor Statistics' (BLS) May 2023 National Occupational Employment and Wage Estimates. *https://www.bls.gov/oes/current/oes_nat.htm.*

routine clinical care in IRFs since the end of the PHE.

After consideration of the public comments, we are finalizing our proposal to remove the Patient/Resident COVID–19 Vaccine Measure.

3. ICRs for Proposed Removal of Four Standardized Patient Assessment Data Elements Beginning With the FY 2028 IRF QRP

In section VII.D of the proposed rule, we finalized our proposal to remove four standardized patient assessment data elements under the SDOH category previously adopted for collection and submission on admission beginning October 1, 2026.

We identified the staff type based on past IRF burden calculations. We believe that the items would be completed equally by a Registered Nurse (RN) and a Licensed Practical and Licensed Vocational Nurse (LPN/LVN). However, IRFs determine the staffing resources necessary.

For the purposes of calculating the costs associated with the collection of information requirements, we obtained median hourly wages for these staff from the U.S. Bureau of Labor Statistics' (BLS) May 2023 National Occupational Employment and Wage Estimates.[19] To account for other indirect costs and fringe benefits, we doubled the hourly wage. These amounts are detailed in Table 12. We established a composite cost estimate using our adjusted wage estimates. The composite estimate of $70.10/hr was calculated by weighting each adjusted hourly wage equally (that is, 50 percent) [($82.76/hr × 0.5) + ($57.44/hr × 0.5) = $70.10].

TABLE 12—U.S. BUREAU OF LABOR AND STATISTICS' MAY 2023 NATIONAL OCCUPATIONAL EMPLOYMENT AND WAGE ESTIMATES

Occupation title	Occupation code	Median hourly wage ($/hr)	Other indirect costs and fringe benefit ($/hr)	Adjusted hourly wage ($/hr)
Registered Nurse (RN)	29–1141	$41.38	$41.38	$82.76
Licensed Practical and Licensed Vocational Nurse (LPN/LVN)	29–2061	28.72	28.72	57.44

We estimated that the burden and cost for IRFs for complying with requirements of the FY 2028 IRF QRP would decrease under this proposal. We estimated that removing four SDOH items with respect to admission will result in a reduction of 1.2 minutes, or 0.02 hour. Using FY 2024 data, we estimate a total of 622,300 assessments from 1,166 IRFs annually for a decrease of 12,446 hours in burden for all IRFs (622,300 × 0.02 hour), or a decrease of 10.67 hours per IRF. Given 10.67 hours at $70.10 per hour, to complete an average of 534 IRF–PAI assessments per IRF per year, we estimated the total cost will be decreased by $748.25 per IRF annually, or $872,464.60 for all IRFs annually, as detailed in Table 13.

We invited public comments on the proposed information collection requirements and whether our estimated burden reduction of 0.02 hours per patient and an annual decrease of 10.67 hours in burden per IRF at admission is an accurate estimate.

We have summarized the comments we received about the burden related to the removal of the SDOH data elements in section VIII.D of this final rule and provided responses. We did not receive public comments about the accuracy of the burden estimates.

After consideration of the public comments, we are finalizing our proposal to remove four standardized patient assessment data elements collected under the SDOH category from the IRF QRP beginning with the FY 2028 IRF QRP.

4. Summary of Requirements for Proposed Updates Related to the IRF QRP Beginning With the FY 2028 IRF QRP

The IRF–PAI, in its current form, has been approved under OMB control number 0938–0842 (expiration 10/31/2027). The net result of removing five items beginning with the FY 2028 IRF QRP, as described in sections VII.A.2 and VII.A.3 of the proposed rule, is a decrease of 1.5 minutes or 0.025 hour of clinical staff time. We estimated that the burden and cost for IRFs for complying with requirements of the FY 2028 IRF QRP would decrease under these proposals. In summary, we estimated the total cost for the proposed requirements of the FY 2028 IRF QRP will be decreased by $935.32 per IRF annually, or $1,090,580.75 for all IRFs annually. These amounts are detailed in Table 13.

TABLE 13—ESTIMATED CHANGE IN BURDEN BEGINNING WITH THE FY 2028 IRF QRP

Requirement	Per IRF		All IRFs	
	Estimated change in annual burden hours	Estimated change in annual cost	Estimated change in annual burden hours	Estimated change in annual cost
Removal of the COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date item beginning with the FY 2028 IRF QRP.	−2.67	−$187.06	−3,111.5	−$218,116.15
Removal of four standardized patient assessment data elements beginning with the FY 2028 IRF QRP.	−10.67	−748.25	−12,446	−872,464.60
Total change in burden for FY 2028 IRF QRP	−13.34	−935.32	−15,557.5	−1,090,580.75

[19] U.S. Bureau of Labor Statistics' (BLS) May 2023 National Occupational Employment and Wage Estimates. *https://www.bls.gov/oes/current/oes_nat.htm.*

XI. Regulatory Impact Analysis

A. Statement of Need

This final rule updates the IRF prospective payment rates for FY 2026 as required under section 1886(j)(3)(C) of the Act and in accordance with section 1886(j)(5) of the Act, which requires the Secretary to publish in the **Federal Register** on or before August 1 before each FY, the classification and weighting factors for CMGs used under the IRF PPS for such FY and a description of the methodology and data used in computing the prospective payment rates under the IRF PPS for that FY. This final rule will also implement section 1886(j)(3)(C) of the Act, which requires the Secretary to apply a productivity adjustment to the market basket percentage increase for FY 2012 and subsequent years.

Furthermore, this rule finalizes the adoption of policy changes to the IRF QRP under the statutory discretion afforded to the Secretary under section 1886(j)(7) of the Act.

B. Overall Impact

We have examined the impacts of this rule as required by Executive Order 12866, ''Regulatory Planning and Review''; Executive Order 13132, ''Federalism''; Executive Order 13563, ''Improving Regulation and Regulatory Review''; Executive Order 14192, ''Unleashing Prosperity Through Deregulation''; the Regulatory Flexibility Act (RFA) (Pub. L. 96–354); section 1102(b) of the Social Security Act; section 202 of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) and the Congressional Review Act (5 U.S.C. 804(2)).

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select those regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; and distributive impacts). Section 3(f) of Executive Order 12866 defines a ''significant regulatory action'' as any regulatory action that is likely to result in a rule that may: (1) have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or Tribal governments or communities; (2) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, or the President's priorities.

A regulatory impact analysis (RIA) must be prepared for rules that are significant as per section 3(f)(1) of E.O. 12866 (having an effect on the economy $100 million or more in any 1 year). We estimate the total impact of the policy updates described in this final rule by comparing the estimated payments in FY 2026 with those in FY 2025. This analysis results in an estimated $340 million increase for FY 2026 IRF PPS payments. Additionally, we estimated that costs associated with updating the reporting requirements under the IRF QRP result in an estimated reduction of $504,929.84 in costs for IRFs for purposes of meeting the FY 2026 IRF QRP, and an estimated reduction of $1,090,580.75 in costs for IRFs for purposes of meeting the FY 2028 IRF QRP. Based on our estimates, OMB's Office of Information and Regulatory Affairs has determined this rulemaking is significant per section 3(f)(1) because it will have an effect on the economy $100 million or more in any 1 year. Accordingly, we have prepared an RIA that, to the best of our ability, presents the costs and benefits of the rulemaking.

This final rule is expected to be an E.O. 14192 deregulatory action. We estimated that this rule would generate approximately $1.28 million annualized cost savings at a 7 percent discount rate, discounted relative to year 2024, over a perpetual time horizon.

Anticipated Effects on IRFs

The RFA requires agencies to analyze options for regulatory relief of small entities, if a rule has a significant impact on a substantial number of small entities. For purposes of the RFA, small entities include small businesses, nonprofit organizations, and small governmental jurisdictions. Most IRFs and most other providers and suppliers are small entities, either by having revenues of $9.0 million to $47.0 million or less in any 1 year depending on industry classification, or by being nonprofit organizations that are not dominant in their markets. (For details, see the Small Business Administration's final rule that set forth size standards for healthcare industries, at 65 FR 69432 and see *https://www.sba.gov/sites/default/files/2023-06/Table%20of%20Size%20Standards_Effective%20March%2017%2C%202023%20%282%29.pdf,* effective January 1, 2022, and updated on March 17, 2023.) Because we lack data on individual hospital receipts, we cannot determine the number of small proprietary IRFs or the proportion of IRFs' revenue that is derived from Medicare payments. Therefore, we assume that all IRFs (an approximate total of 1,169 IRFs, of which approximately 47 percent are nonprofit facilities) are considered small entities and that Medicare payment constitutes the majority of their revenues. Finally, according to the MedPac 2025 Report to Congress, only 51% of IRF stays are Medicare stays (March 2025 Report to the Congress: Medicare Payment Policy—MedPAC at *https://www.medpac.gov/document/march-2025-report-to-the-congress-medicare-payment-policy/*). As shown in Table 14, we estimate that the net revenue impact of this final rule on all IRFs is to increase estimated payments by approximately 3.2 percent of Medicare payments. As its measure of significant economic impact on a substantial number of small entities, HHS uses a change in revenue of more than 3 to 5 percent of the total revenue. Since Medicare accounts for about half of the stays in IRFs, we do not believe the estimated aggregate revenue impact from Medicare payment of this final rule 3.2 percent) will reach the threshold by the requirements in this final rule, given the decrease in costs related to the IRF QRP for FY 2026 (an estimated decrease in costs of $504,929.84 for IRFs) and FY 2028 (an estimated decrease in costs of $1,090,580.75 to IRFs). Therefore, the Secretary has certified that this final rule would not have a significant economic impact on a substantial number of small entities. The estimated impact on small entities is shown in Table 14. MACs are not considered to be small entities. Individuals and States are not included in the definition of a small entity.

In addition, section 1102(b) of the Act requires us to prepare an RIA if a rule may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 604 of the RFA. For the purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside of a Metropolitan Statistical Area and has fewer than 100 beds. As shown in Table 14, we estimate that the net revenue impact of this final rule on rural IRFs is to increase estimated payments by approximately 3.4 percent based on the data of the 131 rural units and 14 rural hospitals in our database of 1,169 IRFs for which data were available. We estimate an overall impact for rural IRFs in all areas between 1.6 percent and 7.6 percent. As a result, we anticipate that this final rule

will not have a significant positive impact on a substantial number of small entities.

Section 202 of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–04, enacted March 22, 1995) (UMRA) also requires that agencies assess anticipated costs and benefits before issuing any rule whose mandates require spending in any 1 year of $100 million in 1995 dollars, updated annually for inflation. In 2025, that threshold is approximately $187 million. This final rule does not mandate any requirements for State, local, or Tribal governments, or for the private sector.

Executive Order 13132 establishes certain requirements that an agency must meet when it issues a proposed rule (and subsequent final rule) that imposes substantial direct requirement costs on State and local governments, preempts State law, or otherwise has federalism implications. As stated, this final rule will not have a substantial effect on State and local governments, preempt State law, or otherwise have a federalism implication.

C. Detailed Economic Analysis

This final rule updates the IRF PPS rates contained in the FY 2025 IRF PPS final rule (88 FR 50956). Specifically, this final rule updates to the CMG relative weights and ALOS values, the wage index, and the outlier threshold for high-cost cases. This final rule will apply a productivity adjustment to the FY 2026 IRF market basket percentage increase in accordance with section 1886(j)(3)(C)(ii)(I) of the Act.

1. Impact on IRFs

We estimate that the impact of the changes and updates described in this final rule will be a net estimated increase of $340 million in payments to IRFs for FY 2026. The impact analysis in Table 14 of this final rule represents the projected effects of the updates to IRF PPS payments for FY 2026 compared with the estimated IRF PPS payments in FY 2025. We determined the effects by estimating payments while holding all other payment variables constant. We use the best data available, but we do not attempt to predict behavioral responses to these changes, and we do not make adjustments for future changes in such variables as number of discharges or case-mix.

We note that certain events may combine to limit the scope or accuracy of our impact analysis, because such an analysis is future-oriented and, thus, susceptible to forecasting errors because of other changes in the forecasted impact time period. Some examples could be legislative changes made by the Congress to the Medicare program that would impact program funding, or changes specifically related to IRFs. Although some of these changes may not necessarily be specific to the IRF PPS, the nature of the Medicare program is such that the changes may interact, and the complexity of the interaction of these changes could make it difficult to predict accurately the full scope of the impact upon IRFs.

In updating the rates for FY 2026, we are implementing the standard annual revisions described in this final rule (for example, the update to the wage index and market basket percentage increase used to adjust the Federal rates). We are also reducing the FY 2026 IRF market basket percentage increase by a productivity adjustment in accordance with section 1886(j)(3)(C)(ii)(I) of the Act. We estimate that the total increase in payments to IRFs in FY 2026, relative to FY 2025, will be approximately $340 million.

This estimate is derived from the application of the FY 2026 IRF market basket percentage increase, reduced by a productivity adjustment in accordance with section 1886(j)(3)(C)(ii)(I) of the Act, which yields an estimated increase in aggregate payments to IRFs of $275 million. In addition, there is an estimated $60 million increase in aggregate payments to IRFs due to the update to the outlier threshold amount. We estimate that these updates will result in a net increase in estimated payments of $340 million from FY 2025 to FY 2026.

The effects of the updates that impact IRF PPS payment rates are shown in Table 14. The following updates that affect the IRF PPS payment rates are discussed separately below:

- The effects of the update to the outlier threshold amount, from approximately 2.8 percent to 3.2 percent of total estimated payments for FY 2026, consistent with section 1886(j)(4) of the Act.
- The effects of the annual market basket update (using the 2021-based IRF market basket) to IRF PPS payment rates, as required by sections 1886(j)(3)(A)(i) and (j)(3)(C) of the Act, including a productivity adjustment in accordance with section 1886(j)(3)(C)(ii)(I) of the Act.
- The effects of applying the budget-neutral labor-related share and wage index adjustment, as required under section 1886(j)(6) of the Act, accounting for the permanent cap on wage index decreases when applicable.
- The effects of the budget-neutral changes to the CMG relative weights and ALOS values under the authority of section 1886(j)(2)(C)(i) of the Act.
- The total change in estimated payments based on the FY 2026 payment changes relative to the estimated FY 2025 payments.

2. Description of Table 14

Table 14 shows the overall impact on the 1,169 IRFs included in the analysis. The next 12 rows of Table 14 contain IRFs categorized according to their geographic location, designated as either a freestanding hospital or a unit of a hospital, and by type of ownership; all urban, which is further divided into urban units of a hospital, urban freestanding hospitals, and by type of ownership; and all rural, which is further divided into rural units of a hospital, rural freestanding hospitals, and by type of ownership. There are 1,024 IRFs located in urban areas included in our analysis. Among these, there are 646 IRF units of hospitals located in urban areas and 378 freestanding IRF hospitals located in urban areas. There are 145 IRFs located in rural areas included in our analysis. Among these, there are 131 IRF units of hospitals located in rural areas and 14 freestanding IRF hospitals located in rural areas. There are 521 for-profit IRFs. Among these, there are 482 IRFs in urban areas and 39 IRFs in rural areas. There are 552 non-profit IRFs. Among these, there are 465 urban IRFs and 87 rural IRFs. There are 96 government-owned IRFs. Among these, there are 77 urban IRFs and 19 rural IRFs.

The remaining four parts of Table 14 show IRFs grouped by geographic location within a region, by teaching status, and by DSH patient percentage (PP). First, IRFs located in urban areas are categorized for their location within a particular one of the nine Census geographic regions. Second, IRFs located in rural areas are categorized for their location within a particular one of the nine Census geographic regions. In some cases, especially for rural IRFs located in the New England, Mountain, and Pacific regions, the number of IRFs represented is small. IRFs are then grouped by teaching status, including non-teaching IRFs, IRFs with an intern and resident to average daily census (ADC) ratio less than 10 percent, IRFs with an intern and resident to ADC ratio greater than or equal to 10 percent and less than or equal to 19 percent, and IRFs with an intern and resident to ADC ratio greater than 19 percent. Finally, IRFs are grouped by DSH PP, including IRFs with zero DSH PP, IRFs with a DSH PP less than 5 percent, IRFs with a DSH PP between 5 and less than 10

percent, IRFs with a DSH PP between 10 and 20 percent, and IRFs with a DSH PP greater than 20 percent.

The estimated impacts of each policy described in this final rule to the facility categories listed are shown in the columns of Table 14. The description of each column is as follows:

- Column (1) shows the facility classification categories.
- Column (2) shows the number of IRFs in each category in our FY 2026 analysis file.
- Column (3) shows the number of cases in each category in our FY 2026 analysis file.
- Column (4) shows the estimated effect of the adjustment to the outlier threshold amount.
- Column (5) shows the estimated effect of the FY 2026 update to the IRF labor-related share, wage index with the 5-percent cap on wage index decreases when applicable, and second year of the 3-year phase-out of the rural adjustment finalized in the FY 2025 IRF PPS final rule, in a budget-neutral manner.
- Column (6) shows the estimated effect of the update to the CMG relative weights and ALOS values, in a budget-neutral manner.
- Column (7) compares our estimates of the payments per discharge, incorporating all of the policies reflected in this final rule for FY 2026 to our estimated payments per discharge in FY 2025.

The average estimated increase in payments for all IRFs is approximately 3.2 percent. This estimated net increase includes the effects of the IRF market basket update for FY 2026 of 2.6 percent, which is based on an IRF market basket percentage increase of 3.3 percent, less a 0.7 percentage point productivity adjustment, as required by section 1886(j)(3)(C)(ii)(I) of the Act. It also includes the approximate 0.6 percent overall increase in estimated IRF outlier payments from the update to the outlier threshold amount. Since we are updating the IRF wage index, labor-related share and the CMG relative weights in a budget-neutral manner, we estimate there is no expected impact to total estimated IRF payments in aggregate from these changes. However, as described in more detail in each section, we estimate there will be expected impacts to the estimated distribution of payments among providers.

TABLE 14—IRF IMPACT FOR FY 2026

[Columns 4 through 7 in percentages]

Facility classification	Number of IRFs	Number of cases	Outlier	FY 2026 wage index (5% cap) and labor-related share	CMG relative weights	Total percent change [1]
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	1,169	447,020	0.6	0.0	0.0	3.2
Urban unit	646	144,074	1.2	−0.2	0.0	3.6
Rural unit	131	18,147	0.9	−0.1	0.1	3.5
Urban hospital	378	277,797	0.2	0.1	0.0	2.9
Rural hospital	14	7,002	0.0	0.4	0.0	3.0
Urban For-Profit	482	276,263	0.3	0.1	0.0	2.9
Rural For-Profit	39	10,714	0.3	0.3	0.0	3.3
Urban Non-Profit	465	127,517	1.0	−0.1	0.0	3.6
Rural Non-Profit	87	12,573	0.9	−0.1	0.1	3.6
Urban Government	77	18,091	1.2	−0.1	0.1	3.9
Rural Government	19	1,862	0.7	−0.6	0.1	2.8
Urban	1,024	421,871	0.6	0.0	0.0	3.2
Rural	145	25,149	0.7	0.1	0.1	3.4
Urban by region						
Urban New England	30	15,484	0.3	1.6	0.1	4.7
Urban Middle Atlantic	113	42,826	0.8	0.3	0.0	3.7
Urban South Atlantic	190	100,441	0.5	0.5	0.0	3.6
Urban East North Central	165	50,402	0.6	0.3	0.0	3.6
Urban East South Central	56	29,048	0.3	0.7	0.0	3.5
Urban West North Central	79	25,322	0.6	0.3	0.0	3.5
Urban West South Central	210	95,608	0.3	−0.7	0.0	2.2
Urban Mountain	81	35,924	0.4	−0.5	0.0	2.5
Urban Pacific	100	26,816	1.5	−1.0	0.0	3.2
Rural by region						
Rural New England	5	1,104	0.9	1.0	0.1	4.7
Rural Middle Atlantic	11	1,408	0.4	−1.4	0.1	1.6
Rural South Atlantic	17	6,383	0.2	0.1	0.0	2.9
Rural East North Central	23	3,022	1.3	0.2	0.0	4.1
Rural East South Central	19	3,284	0.5	−1.2	0.1	2.0
Rural West North Central	19	2,310	1.2	0.2	0.1	4.1
Rural West South Central	44	7,042	0.5	0.4	0.1	3.6
Rural Mountain	5	322	0.9	3.8	0.1	7.6
Rural Pacific	2	274	3.0	0.4	0.3	6.4
Teaching status						
Non-teaching	1,063	398,330	0.5	0.0	0.0	3.2
Resident to ADC less than 10%	59	33,458	0.6	0.0	0.0	3.2

TABLE 14—IRF IMPACT FOR FY 2026—Continued

[Columns 4 through 7 in percentages]

Facility classification	Number of IRFs	Number of cases	Outlier	FY 2026 wage index (5% cap) and labor-related share	CMG relative weights	Total percent change [1]
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Resident to ADC 10%−19%	34	12,761	1.5	−0.3	0.0	3.9
Resident to ADC greater than 19%	13	2,471	1.0	0.2	0.1	3.9
Disproportionate share patient percentage (DSH PP)						
DSH PP = 0%	52	12,309	0.7	−0.6	0.0	2.7
DSH PP <5%	194	98,674	0.4	0.3	0.0	3.3
DSH PP 5%−10%	252	110,048	0.4	−0.1	0.0	3.0
DSH PP 10%−20%	404	150,145	0.6	0.0	0.0	3.2
DSH PP greater than 20%	267	75,844	0.9	−0.2	0.0	3.4

[1] This column includes the impact of the updates in columns (4), (5), and (6) above, and of the IRF market basket update for FY 2026 of 3.3 percent, reduced by 0.7 percentage point for the productivity adjustment as required by section 1886(j)(3)(C)(ii)(I) of the Act. Note, the products of these impacts may be different from the percentage changes shown here due to rounding effects.

3. Impact of the Update to the Outlier Threshold Amount

The estimated effects of the update to the outlier threshold adjustment from FY 2025 to FY 2026 are presented in column 4 of Table 14.

For the FY 2026 proposed rule, we used preliminary FY 2024 IRF claims data and based on that preliminary analysis, we estimated that IRF outlier payments as a percentage of total estimated IRF payments would be 2.4 percent in FY 2025. Thus, we are adjusting the outlier threshold amount in this final rule from $12,043 in FY 2025 to $10,062 in FY 2026 to maintain total estimated outlier payments equal to 3 percent of total estimated payments in FY 2026. The estimated change in total IRF payments for FY 2026, therefore, includes an approximate 0.6 percentage point increase in payments because the estimated outlier portion of total payments is estimated to increase from approximately 2.4 percent to 3.0 percent. The impact of this update to the outlier threshold amount (as shown in column 4 of Table 14) is to increase estimated overall payments to IRFs by 0.6 percentage point.

4. Impact of the Wage Index, Labor-Related Share, and Wage Index Cap

In column 5 of Table 14, we present the effects of the budget-neutral update of the wage index and labor-related share, taking into account the permanent 5-percent cap on wage index decreases when applicable. The changes to the wage index and the labor-related share are discussed together because the wage index is applied to the labor-related portion of payments, so the changes in the two have a combined effect on payments to providers. As discussed in section V.C. of this final rule, the FY 2026 labor-related share is 74.4 percent, which is the same as the labor-related share for FY 2025. In the aggregate, since these updates to the wage index and the labor-related share are applied in a budget-neutral manner as required under section 1886(j)(6) of the Act, we do not estimate that these updates will affect overall estimated payments to IRFs. However, we estimate that these changes will have distributional effects. For example, we estimate the largest increase in payments of 7.6 percent for rural IRFs in the Mountain region. We estimate the largest decrease in payments from the update to the wage index and labor-related share to be a 1.4 percent decrease for rural IRFs in the Middle Atlantic region.

5. Impact of the Update to the CMG Relative Weights and ALOS Values

In column 6 of Table 14, we present the effects of the budget-neutral update of the CMG relative weights and ALOS values. In the aggregate, we do not estimate that these updates will affect overall estimated payments of IRFs. However, we do expect these updates to have small distributional effects between 0.0 percent to 0.3 percent.

6. Effects of Requirements for the IRF QRP

In accordance with section 1886(j)(7)(A) of the Act, the Secretary must reduce by 2 percentage points the annual market basket increase factor otherwise applicable to an IRF for a fiscal year if the IRF does not comply with the requirements of the IRF QRP for that fiscal year. In section IX.A. of this final rule, we discussed the method for applying the 2-percentage points reduction to IRFs that fail to meet the IRF QRP requirements.

a. Effects of Requirements for the IRF QRP Beginning With the FY 2026 IRF QRP

As discussed in section VIII.C.I of the proposed rule, we finalized our proposal to remove the COVID–19 Vaccination Coverage among Healthcare Personnel (HCP) measure, beginning with the FY 2026 IRF QRP.

Currently, the CDC does not estimate burden for COVID–19 vaccination reporting under the CDC PRA package currently approved under OMB control number 0920–1317 because the agency has been granted a waiver under section 321 of the NCVIA. However, CMS has provided an estimate of reduction in burden and cost for IRFs here. Consistent with the CDC's experience of collecting data using the NHSN, we estimate the removal of this measure will result in a reduction of 1 hour per month to collect data for the COVID–19 Vaccination Coverage among HCP measure and enter it into NHSN. We believe that this data would be entered by an administrative assistant. However, IRFs determine the staffing resources necessary.

For the purposes of calculating the costs associated with the collection of information requirements, we obtained median hourly wages from the U.S. Bureau of Labor Statistics' (BLS) May 2023 National Occupational Employment and Wage Estimates.[20] To

[20] U.S. Bureau of Labor Statistics' (BLS) May 2023 National Occupational Employment and Wage

Continued

account for overhead and fringe benefits, we have doubled the hourly wage. These amounts are detailed in Table 15.

TABLE 15—U.S. BUREAU OF LABOR AND STATISTICS' MAY 2023 NATIONAL OCCUPATIONAL EMPLOYMENT AND WAGE ESTIMATES

Occupation title	Occupation code	Median hourly wage ($/hr)	Other indirect costs and fringe benefit ($/hr)	Adjusted hourly wage ($/hr)
Administrative Assistants	43–6013	$18.01	$18.01	$36.02

We estimate that the removal of this measure from the IRF QRP will result in a reduction of 12 hours per IRF per year. Using FY 2024 data, we estimate a total of 1,166 IRFs annually for a decrease of 13,992 hours (12 hours × 1,166 IRFs) for all IRFs. Given an estimated $36.02 hourly wage, we estimate a decrease of $432.24 per IRF (12 hours × $36.02), or a decrease of $503,991.84 for all IRFs annually.

In section VIII.E of this final rule, we finalized our proposal to amend the reconsideration request policy and process. For IRFs that seek to file an extension to file a request for reconsideration of a noncompliance determination, we estimate that this request will take IRFs approximately 15 minutes to complete. We believe that this data would be entered by medical records specialists. However, IRFs determine the staffing resources necessary.

For the purposes of calculating the costs we obtained median hourly wages from the BLS May 2023 National Occupational Employment and Wage Estimates.[21] To account for overhead and fringe benefits, we have doubled the hourly wage. These amounts are detailed in Table 16.

TABLE 16—U.S. BUREAU OF LABOR AND STATISTICS' MAY 2023 NATIONAL OCCUPATIONAL EMPLOYMENT AND WAGE ESTIMATES

Occupation title	Occupation code	Median hourly wage ($/hr)	Other indirect costs and fringe benefit ($/hr)	Adjusted hourly wage ($/hr)
Medical Records Specialists	29–2072	$23.45	$23.45	$46.90

We estimate that the collection of this request will result in an additional 15 minutes, or 0.25 hours, per request. Based on the number of reconsiderations requests we have received in the previous 3 years, we estimate an average of 81 requests per year, for an additional 20 hours per year (0.25 hours × 81 forms per year) for all IRFs. Given an estimated $46.90 hourly wage, we estimate an increase of $938.00 (20 hours × $46.90) for all IRFs annually or $11.58 per IRF that request reconsiderations.

b. Effects of Requirements for the IRF QRP Beginning With the FY 2028 IRF QRP

In section VIII.C.2 of this final rule, we finalized our proposal to remove the COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date measure and the associated assessment item (O0350), beginning with the FY 2028 IRF QRP. In section VIII.D of this final rule, we finalized our proposal to remove four standardized patient assessment data elements from the IRF–PAI, beginning with the FY 2028 IRF QRP. The net result of removing five items is a decrease of 1.5 minutes or 0.025 hour of clinical staff time at admission. We believe that the items would be completed equally by a Registered Nurse (RN) (50 percent of the time) and a Licensed Practical and Licensed Vocational Nurse (LPN/LVN) (50 percent of the time). However, IRFs determine the staffing resources necessary.

For the purposes of calculating the costs associated with the collection of information requirements, we obtained median hourly wages for these staff from the U.S. Bureau of Labor Statistics' (BLS) May 2023 National Occupational Employment and Wage Estimates.[22] To account for other indirect costs and fringe benefits, we doubled the hourly wage. These amounts are detailed in Table 17.

TABLE 17—U.S. BUREAU OF LABOR AND STATISTICS' MAY 2023 NATIONAL OCCUPATIONAL EMPLOYMENT AND WAGE ESTIMATES

Occupation title	Occupation code	Median hourly wage ($/hr)	Other indirect costs and fringe benefit ($/hr)	Adjusted hourly wage ($/hr)
Registered Nurse (RN)	29–1141	41.38	41.38	82.76

Estimates. *https://www.bls.gov/oes/current/oes_nat.htm.*

[21] U.S. Bureau of Labor Statistics' (BLS) May 2023 National Occupational Employment and Wage Estimates. *https://www.bls.gov/oes/current/oes_nat.htm.*

[22] U.S. Bureau of Labor Statistics' (BLS) May 2023 National Occupational Employment and Wage Estimates. *https://www.bls.gov/oes/current/oes_nat.htm.*

TABLE 17—U.S. BUREAU OF LABOR AND STATISTICS' MAY 2023 NATIONAL OCCUPATIONAL EMPLOYMENT AND WAGE ESTIMATES—Continued

Occupation title	Occupation code	Median hourly wage ($/hr)	Other indirect costs and fringe benefit ($/hr)	Adjusted hourly wage ($/hr)
Licensed Practical and Licensed Vocational Nurse (LPN/LVN)	29–2061	28.72	28.72	57.44

Using FY 2024 data, we estimate a total of 622,300 assessments from 1,166 IRFs annually for a decrease of 15,557.5 hours in burden for all IRFs (622,300 × 0.025 hour), or a decrease of 13.34 hours per IRF. Given 0.025 hour at $70.10 per hour to complete an average of 534 IRF–PAI assessments per IRF per year, we estimate the total cost will be decreased by $935.32 per IRF annually, or $1,090,580.75 for all IRFs annually.

c. Summary of Effects of Requirements for the IRF QRP

In summary, we estimate that the burden and cost for IRFs for complying with requirements of the FY 2026 IRF QRP would decrease under these proposals, by 13,972 hours and $504,929.84 for all IRFs annually. We also estimate that the burden and cost for IRFs for complying with the requirements of the FY 2028 IRF QRP would decrease under these proposals, by 15,557.5 hours and $1,090,580.75 for all IRFs annually. These amounts are detailed in Table 18.

TABLE 18—ESTIMATED IRF QRP PROGRAM IMPACTS FOR FY 2026 AND FY2028

Requirement	All IRFs	
Estimated change in annual burden hours	Estimated change in annual cost	
Proposed Effects of Requirements for the FY 2026 IRF QRP (measure removal and reconsideration policy update)	−13,972	−$504,929.84
Proposed Effects of Requirements for the FY 2028 IRF QRP (measure and item removals).	−15,557.5	−1,090,580.75

We invited public comments on the overall impact of the IRF QRP proposal for FY 2026 and FY 2028. We did not receive any public comments on the effects on requirements and therefore, we are finalizing the revisions as proposed.

D. Alternatives Considered

IRF PPS Updates

As noted previously in this final rule, section 1886(j)(3)(C) of the Act requires the Secretary to update the IRF PPS payment rates by an increase factor that reflects changes over time in the prices of an appropriate mix of goods and services included in the covered IRF services and section 1886(j)(3)(C)(ii)(I) of the Act requires the Secretary to apply a productivity adjustment to the market basket percentage increase for FY 2026. Thus, in accordance with section 1886(j)(3)(C) of the Act, we are updating the IRF prospective payments in this final rule by 2.6 percent (which equals the 3.3 percent IRF market basket percentage increase for FY 2026 reduced by a 0.7 percentage point productivity adjustment as determined under section 1886(b)(3)(B)(xi)(II) of the Act (as required by section 1886(j)(3)(C)(ii)(I) of the Act)).

We considered maintaining the existing CMG relative weights and average length of stay values for FY 2026. However, in light of recently available data, and our desire to ensure that the CMG relative weights and average length of stay values are as reflective as possible of recent changes in IRF utilization and case-mix, we believe that it is appropriate to update the CMG relative weights and average length of stay values at this time to ensure that IRF PPS payments continue to reflect as accurately as possible the current costs of care in IRFs.

We considered maintaining the existing outlier threshold amount for FY 2026. However, analysis of FY 2024 data indicates that estimated outlier payments would be less than 3 percent of total estimated payments for FY 2026, unless we updated the outlier threshold amount. Consequently, we are adjusting the outlier threshold amount to maintain estimated outlier payments at 3 percent of estimated aggregate payments in FY 2026.

Regarding our proposals to remove both the COVID–19 Vaccination Coverage among Healthcare Personnel (HCP) and COVID–19 Vaccine: Percent of Patients/Residents Who Are Up to Date measure, we considered keeping both measures, but determined the cost and burden associated with maintaining these measures outweigh the benefit of their continued collection and finalized our proposal to remove them.

Regarding our proposal to remove four SDO standardized patient assessment data elements we are removing these in an effort to reduce burden. We considered keeping these but believe that removing would help reduce burden.

Finally, regarding proposals to amend the reconsideration request policy and process, we considered the alternative of leaving the policy language unchanged. However, we have noted some areas in our policy where IRFs may benefit from clearly demarcated deadlines regarding requests for reconsideration.

E. Regulatory Review Costs

If regulations impose administrative costs on private entities, such as the time needed to read and interpret this proposed rule, we should estimate the cost associated with regulatory review. Due to the uncertainty involved with accurately quantifying the number of entities that will review the rule, we assume at least one staff in IRFs would read the rule. The total number of IRFs would be the proxy of number of reviewers for this rule. We acknowledge that this assumption may understate or overstate the costs of reviewing the proposed rule. We also assume that each reviewer reads 100 percent of the rule.

Using the national mean hourly wage data from the May 2023 BLS for Occupational Employment Statistics (OES) for medical and health service managers (SOC 11–9111), we estimate that the cost of reviewing this rule is

$129.28 per hour, including other indirect costs and fringe benefits (*https://www.bls.gov/oes/current/oes_nat.htm*). Assuming an average reading speed, we estimate that it will take approximately 3 hours for the staff to review the proposed rule. For each reviewer of the rule, the estimated cost is $387.84 (3 hours × $129.28). Therefore, we estimated that the total cost of reviewing this regulation is $452,221.44 ($387.84 × 1,166 reviewers).

F. Accounting Statement and Table

Consistent with OMB Circular A–4 (available at *https://www.reginfo.gov/public/jsp/Utilities/a-4.pdf*), in Table 20, we have prepared an accounting statement showing the classification of the expenditures associated with the provisions of the final rule. Table 18 provides our best estimate of the increase in Medicare payments under the IRF PPS as a result of the updates presented in this final rule based on the data for IRFs in our database.

TABLE 19—ACCOUNTING STATEMENT—CLASSIFICATION OF ESTIMATED EXPENDITURE

	Category	Transfers
Change in Estimated Transfers from FY 2025 IRF PPS to FY 2026 IRF PPS.	Annualized Monetized Transfers	$340 million increase.
	From Whom to Whom?	Federal Government to IRF Medicare Providers.
Estimated Savings Associated with the FY 2026 IRF QRP.	Annualized monetized savings in FY 2026 due to proposed data collection requirements.	$504,929.84.
Estimated Savings Associated with the FY 2028 IRF QRP.	Annualized monetized savings in FY 2028 due to proposed data collection requirements.	$1,090,580.75.
Estimated Costs Associated with Review Cost for FY 2026 IRF PPS.	Cost associated with regulatory review cost	$452,221.

G. Conclusion

Overall, the estimated payments per discharge for IRFs in FY 2026 are projected to increase by 3.2 percent, compared with the estimated payments in FY 2025, as reflected in column 7 of Table 14.

IRF payments per discharge are estimated to increase by 3.2 percent in urban areas and 3.4 percent in rural areas, compared with estimated FY 2025 payments. Payments per discharge to rehabilitation units are estimated to increase 3.6 percent in urban areas and 3.5 percent in rural areas. Payments per discharge to freestanding rehabilitation hospitals are estimated to increase 2.9 percent in urban areas and 3.0 percent in rural areas.

Overall, IRFs are estimated to experience a net increase in payments as a result of the policies in this final rule. The largest payment increase is estimated to be 7.6 percent for IRFs in the Rural Mountain region. The analysis above, together with the remainder of this preamble, provides an RIA.

In accordance with the provisions of Executive Order 12866, this regulation was reviewed by OMB.

Mehmet Oz, MD, Administrator of the Centers for Medicare & Medicaid Services, approved this document on July 28, 2025.

List of Subjects in 42 CFR Part 412

Administrative practice and procedure, Health facilities, Medicare, Puerto Rico, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, the Centers for Medicare & Medicaid Services amends 42 CFR chapter IV as set forth below.

PART 412—PROSPECTIVE PAYMENT SYSTEMS FOR INPATIENT HOSPITAL SERVICES

■ 1. The authority citation for part 412 continues to read as follows:

Authority: 42 U.S.C. 1302 and 1395hh.

■ 2. Amend § 412.634 by revising paragraph (d)(5) and adding paragraphs (d)(6) and (7) to read as follows:

§ 412.634 Requirements under the Inpatient Rehabilitation Facility (IRF) Quality Reporting Program (QRP).

* * * * *

(d) * * *

(5) CMS will notify the IRF, in writing, of its final decision regarding any reconsideration request through at least one of the following methods: CMS designated data submission system, the United States Postal Service, or via email from the CMS Medicare Administrative Contractor (MAC). CMS will grant a timely request for reconsideration, and reverse an initial finding of non-compliance, only if CMS determines that the IRF was in full compliance with the IRF QRP requirements for the applicable program year.

(6) An IRF may request, and CMS may grant, an extension to file a reconsideration request if, during the period to request a reconsideration as set forth in paragraph (d)(2) of this section, the IRF was affected by an extraordinary circumstance beyond the control of the IRF (for example, a natural or man-made disaster). IRFs must submit the reconsideration extension request no later than 30 calendar days from the date of the written notification of noncompliance. The reconsideration extension request must be submitted to CMS via email to *IRFQRPReconsiderations@cms.hhs.gov,* and must contain the following information:

(i) The CCN for the IRF.

(ii) The business name of the IRF.

(iii) The business address of the IRF.

(iv) Contact information for the IRF's chief executive officer or designated personnel, including the name, telephone number, title, email address, and physical mailing address, which may not be a post office box.

(v) A statement of the reason for the request for the extension.

(vi) Evidence of the impact of the extraordinary circumstances, including, for example, photographs, newspaper articles, and other media.

(7) CMS will notify the IRF in writing of its final decision regarding its request for an extension to file a reconsideration of noncompliance request via an email from CMS.

* * * * *

Robert F. Kennedy, Jr.,

Secretary, Department of Health and Human Services.

[FR Doc. 2025–14780 Filed 8–1–25; 4:15 pm]

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FEDERAL REGISTER

Vol. 90 Tuesday,
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Part IV

The President

Proclamation 10962—Adjusting Imports of Copper Into the United States
Executive Order 14323—Addressing Threats to the United States by the Government of Brazil
Executive Order 14324—Suspending Duty-Free De Minimis Treatment for All Countries

Federal Register
Vol. 90, No. 148
Tuesday, August 5, 2025

Presidential Documents

Title 3—

The President

Proclamation 10962 of July 30, 2025

Adjusting Imports of Copper Into the United States

By the President of the United States of America

A Proclamation

1. On June 30, 2025, the Secretary of Commerce (Secretary) transmitted to me a report on his investigation into the effects of imports of copper in all forms (copper), including copper ores, copper concentrates, refined copper, copper alloys, scrap copper, and derivative products, on the national security of the United States under section 232 of the Trade Expansion Act of 1962, as amended, 19 U.S.C. 1862 (section 232). Based on the facts considered in that investigation, the Secretary found and advised me of his opinion that copper is being imported into the United States in such quantities and under such circumstances as to threaten to impair the national security of the United States.

2. The Secretary found that the present quantities of copper imports and the circumstances of global excess capacity for producing copper are weakening our economy, resulting in the persistent threat of further closures of domestic copper production facilities and the shrinking of our ability to meet national security production requirements. Because of these risks, and taking into account the close relation of the economic welfare of the Nation to our national security and other relevant factors, *see* 19 U.S.C. 1862(d), the Secretary found that the present quantities and circumstances of copper imports threaten to impair the national security as provided in section 232.

3. In reaching this conclusion, the Secretary found that copper is essential to the manufacturing foundation on which United States national and economic security depend. Copper is the second most widely used material by the Department of Defense and is a necessary input in a range of defense systems, including aircraft, ground vehicles, ships, submarines, missiles, and ammunition. Copper also plays a central role in the broader United States industrial base. The metal's exceptional electrical conductivity and durability also make it indispensable to critical infrastructure sectors that support the American economy, national security, and public health. Alternatives to copper are insufficient substitutes for these vital industries and products in many circumstances.

4. The Secretary found that the United States was a world leader across the value chain of copper production (mining, refining, semi-finished goods, and finished goods containing copper) for most of the 20th century. But despite copper being a crucial material in manufacturing and for the national and economic security of the United States, United States copper production has plummeted. Today, a single foreign country dominates global copper smelting and refining, controlling over 50 percent of global smelting capacity and holding four of the top five largest refining facilities.

5. The Secretary found that unfair trade practices abroad, exacerbated by overly burdensome environmental regulations at home, have hollowed out United States copper refining and smelting, caused the United States to be overly reliant on foreign copper imports, and prevent a path forward without strong corrective action. Foreign competitors leverage state subsidies and overproduction to flood international markets with artificially low-priced copper products, driving United States producers out of business. The United

States is now dangerously dependent on foreign imports of semi-finished copper, intensive copper derivative products, and copper-containing products, and imbalances in the global markets make domestic investment increasingly unviable.

6. The Secretary found that United States dependency on foreign sources of copper is a national security vulnerability that could be exploited by foreign countries, weakens United States industrial resilience, exposes the American people to supply chain disruptions, economic instability, and strategic vulnerabilities, and jeopardizes the United States defense industrial base.

7. In light of these findings, the Secretary recommended a range of actions to adjust the imports of copper so that such imports will not threaten to impair the national security. For example, the Secretary recommended an immediate universal 30 percent import duty on semi-finished copper products and intensive copper derivative products. The Secretary also recommended a phased universal tariff on refined copper of 15 percent starting in 2027 and 30 percent starting in 2028. The Secretary further recommended a domestic sales requirement for copper input materials starting at 25 percent in 2027, a domestic sales requirement of 25 percent for high-quality copper scrap, and export controls for high-quality copper scrap.

8. After considering the Secretary's report, the factors in section 232(d), 19 U.S.C. 1862(d), and other relevant factors, among other things, I concur with the Secretary's finding that copper is being imported into the United States in quantities and under circumstances that threaten to impair the national security of the United States. In my judgment, and in light of the Secretary's report, the factors in section 232(d), 19 U.S.C. 1862(d), and other relevant factors, among other things, I also determine that it is necessary and appropriate to impose tariffs, as described below, to adjust imports of copper and its derivatives so that such imports will not threaten to impair the national security of the United States.

9. To ensure that the tariffs on copper in this proclamation are not circumvented and that the purpose of this action to address the threat to impair the national security of the United States posed by imports of copper is not undermined, I also deem it necessary and appropriate to set up a process to identify and impose tariffs on certain derivatives of copper, as further described below.

10. In my judgment, the action in this proclamation will, among other things, help increase domestic production of semi-finished copper products and intensive copper derivative products, thereby reducing our Nation's reliance on foreign sources. It will ensure that domestic fabricators are able to supply sufficient quantities of copper products essential for infrastructure, defense systems, and advanced manufacturing. This action will also promote investment, employment, and innovation in the domestic copper fabrication sector, strengthen supply chains, enhance industrial resilience, and generate meaningful economic benefits. This action will adjust the imports of semi-finished copper products, intensive copper derivative products, and certain other copper derivatives and is necessary and appropriate to address the threat to impair the national security of the United States posed by imports of such articles.

11. Section 232 authorizes the President to adjust the imports of an article and its derivatives that are being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security so that such imports will not threaten to impair the national security.

12. Section 604 of the Trade Act of 1974, as amended, 19 U.S.C. 2483, authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTSUS) the substance of statutes affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

13. Consistent with the General Terms for the United States of America and the United Kingdom of Great Britain and Northern Ireland Economic Prosperity Deal (May 8, 2025), the United States intends to coordinate with the United Kingdom to adopt a structured, negotiated approach to addressing the national security threat in the copper sector.

NOW, THEREFORE, I, DONALD J. TRUMP, President of the United States of America, by the authority vested in me by the Constitution and the laws of the United States of America, including section 232; the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*); section 101 of the Defense Production Act of 1950 (DPA), as amended, 50 U.S.C. 4511; section 301 of title 3, United States Code; and section 604 of the Trade Act of 1974, as amended, 19 U.S.C. 2483, do hereby proclaim as follows:

(1) Except as otherwise provided in this proclamation, all imports of semi-finished copper products and intensive copper derivative products, as set forth in the Annex to this proclamation, shall be subject to a 50 percent tariff. This tariff shall be effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on August 1, 2025, and shall continue in effect, unless such action is expressly reduced, modified, or terminated. This tariff is in addition to any other duties, fees, exactions, and charges applicable to such imported semi-finished copper products and intensive copper derivative products, unless stated otherwise below.

(2) The Secretary, in consultation with the United States International Trade Commission and U.S. Customs and Border Protection (CBP), shall determine whether any modifications to the HTSUS are necessary to effectuate this proclamation and shall make such modifications through notice in the *Federal Register* if needed.

(3) Within 90 days after the date of this proclamation, the Secretary shall establish a process for including additional derivative copper articles within the scope of the duties of this proclamation, consistent with the processes established pursuant to Proclamation 10895 of February 10, 2025 (Adjusting Imports of Aluminum Into the United States) and Proclamation 10896 of February 10, 2025 (Adjusting Imports of Steel Into the United States).

(4) The non-copper content of all copper articles subject to this proclamation shall be subject to tariffs pursuant to Executive Order 14257 of April 2, 2025 (Regulating Imports With a Reciprocal Tariff To Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits), and any other applicable duties, including those imposed by Executive Order 14193 of February 1, 2025 (Imposing Duties To Address the Flow of Illicit Drugs Across Our Northern Border), as amended, Executive Order 14194 of February 1, 2025 (Imposing Duties To Address the Situation at Our Southern Border), as amended, and Executive Order 14195 of February 1, 2025 (Imposing Duties To Address the Synthetic Opioid Supply Chain in the People's Republic of China), as amended. The additional duties described in clauses 1 through 3 of this proclamation shall apply only to the copper content of articles subject to this proclamation. CBP shall issue authoritative guidance mandating strict compliance with declaration requirements for copper content in imported articles and outlining maximum penalties for noncompliance, including that importers who submit underreported declarations may be subject to severe consequences, such as significant monetary penalties, loss of import privileges, and criminal liability, consistent with United States law.

(5) If any product is subject to tariffs under both this proclamation and Proclamation 10908 of March 26, 2025 (Adjusting Imports of Automobiles and Automobile Parts Into the United States), as amended, the product shall be subject to the duties imposed pursuant to Proclamation 10908, as amended, and not those imposed pursuant to this proclamation.

(6) Any product described in clause 1 of this proclamation, except those eligible for admission as ''domestic status'' as described in 19 CFR 146.43, that is subject to a duty imposed by this proclamation and that is admitted into a United States foreign trade zone on or after the effective date of this proclamation must be admitted as ''privileged foreign'' status as described in 19 CFR 146.41, and will be subject upon entry for consumption to any *ad valorem* rates of duty related to the classification under the applicable HTSUS subheading.

(7) The Secretary shall continue to monitor imports of copper and its derivatives. The Secretary shall, from time to time, in consultation with any senior executive branch officials the Secretary deems appropriate, review the status of copper and copper derivative imports with respect to national security. The Secretary shall inform the President of any circumstances that, in the Secretary's opinion, might indicate the need for further action by the President under section 232. By June 30, 2026, the Secretary shall provide the President with an update on domestic copper markets, including refining capacity and the market for refined copper in the United States, so that the President may determine whether imposing a phased universal import duty on refined copper of 15 percent starting on January 1, 2027, and 30 percent starting on January 1, 2028, as recommended by the June 30, 2025, report, is warranted to ensure that copper imports do not continue to threaten to impair the national security. The Secretary shall also inform the President of any circumstance that, in the Secretary's opinion, might indicate that the duty rate provided for in this proclamation, or any actions modifying this proclamation, is no longer necessary.

(8) Separately, I find that copper input materials and high-quality copper scrap meet the criteria specified in section 101(b) of the DPA, 50 U.S.C. 4511(b). Pursuant to the authority delegated to the Secretary in Executive Order 13603 of March 16, 2012 (National Defense Resources Preparedness), the Secretary shall take all appropriate action to implement the domestic sales requirements that he recommended in the June 30, 2025, report.

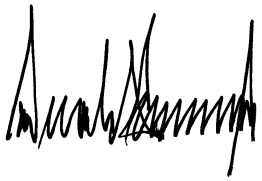
(9) The Secretary may issue regulations, rules, guidance, and procedures consistent with the purpose of this proclamation, including to address operational necessity.

(10) No drawback shall be available with respect to the duties imposed pursuant to this proclamation.

(11) CBP may take any necessary or appropriate measure to administer the tariff imposed by this proclamation.

(12) Any provision of previous proclamations and Executive Orders that is inconsistent with the actions taken in this proclamation is superseded to the extent of such inconsistency. If any provision of this proclamation, or the application of any provision to any individual or circumstance, is held to be invalid, the remainder of this proclamation and the application of its provisions to any other individuals or circumstances shall not be affected.

IN WITNESS WHEREOF, I have hereunto set my hand this thirtieth 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 fiftieth.



Billing code 3295–F2–P

Semi-Finished Copper and Intensive Copper Derivatives Annex:

A. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern time on August 1, 2025:

1. The following new U.S. note 36 to subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTSUS) is inserted in numerical order:

"(a) Heading 9903.78.01 provides the ordinary customs duty treatment of semi-finished copper and intensive copper derivative products, as enumerated in subdivision (b) of this note, of all countries.

For any such products that are eligible for special tariff treatment under any of the free trade agreements or preference programs listed in general note 3(c)(i) to the tariff schedule, the duty provided in heading 9903.78.01 shall be collected in addition to any special rate of duty otherwise applicable under the appropriate tariff subheading. Goods for which entry is claimed under a provision of chapter 98 and which are subject to the additional duties prescribed herein shall be eligible for and subject to the terms of such provision and applicable U.S. Customs and Border Protection ("CBP'') regulations, except that duties under subheading 9802.00.60 shall be assessed based upon the full value of the imported article. No claim for entry or for any duty exemption or reduction shall be allowed for the semi-finished copper and intensive copper derivative products enumerated in subdivision (b) of this note under a provision of chapter 99 that may set forth a lower rate of duty or provide duty-free treatment, taking into account information supplied by CBP, but any additional duty prescribed in any provision of this subchapter or subchapter IV of chapter 99 shall be imposed in addition to the duty in heading 9903.78.01. All antidumping, countervailing, or other duties and charges applicable to such goods shall continue to be imposed in addition to the duty in heading 9903.78.01.

For any semi-finished copper or intensive copper derivative product that is classified in one of the headings or subheadings of the HTSUS that is listed in subdivision (b) of this note, the additional ad valorem duty imposed by heading 9903.78.01 shall only apply to the declared value of the copper content of the article. The quantity of the copper content shall be reported in kg for heading 9903.78.01, in addition to the units provided in chapters 1 through 97 for the copper article, in accordance with statistical note 1(b) of chapter 99.

(b) The rates of duty set forth in heading 9903.78.01 apply to the copper content of all imported semi-finished copper and intensive copper derivative products, as specified in subdivision (a) to this note, that are classified in the provisions of the HTSUS enumerated in this subdivision:

7406.10.00	7409.19.90	7413.00.10
7406.20.00	7409.21.00	7413.00.50
7407.10.15	7409.29.00	7413.00.90
7407.10.30	7409.31.10	7415.10.00
7407.10.50	7409.31.50	7415.21.00
7407.21.15	7409.31.90	7415.29.00
7407.21.30	7409.39.10	7415.33.05
7407.21.50	7409.39.50	7415.33.10
7407.21.70	7409.39.90	7415.33.80
7407.21.90	7409.40.00	7415.39.00
7407.29.16	7409.90.10	7418.10.00
7407.29.34	7409.90.50	7418.20.10
7407.29.38	7409.90.90	7418.20.50
7407.29.40	7410.11.00	7419.20.00
7407.29.50	7410.12.00	7419.80.03
7408.11.30	7410.21.30	7419.80.06
7408.11.60	7410.21.60	7419.80.09
7408.19.00	7410.22.00	7419.80.15
7408.21.00	7411.10.10	7419.80.16
7408.22.10	7411.10.50	7419.80.17
7408.22.50	7411.21.10	7419.80.30
7408.29.10	7411.21.50	7419.80.50
7408.29.50	7411.22.00	8544.42.10
7409.11.10	7411.29.10	8544.42.20
7409.11.50	7411.29.50	8544.42.90
7409.19.10	7412.10.00	8544.49.10
7409.19.50	7412.20.00	

(c) Heading 9903.78.02 applies to the non-copper content of all entries classifiable under provisions of the HTSUS enumerated in subdivision (b) of this note.

(d) Any importer entering the products covered by this note under headings 9903.78.01 or 9903.78.02 shall provide any information that may be required, and in

such form, as is deemed necessary by CBP in order to permit the administration of these headings."

2. Subchapter III of chapter 99 of the HTSUS is modified by inserting new headings 9903.78.01 and 9903.78.02 in numerical sequence, with the material in the new heading inserted in the columns of the HTSUS labeled "Heading/Subheading", "Article Description", "Rates of Duty 1-General", "Rates of Duty 1-Special" and "Rates of Duty 2", respectively:

Heading/ Subheading	Article Description	Rates of Duty		
		1		2
		General	Special	
"9903.78.01	Semi-finished copper and intensive copper derivative products provided for in subdivision (b) of note 36 to this subchapter . . .	The duty provided in the applicable subheading + a duty of 50% upon the value of the copper content	The duty provided in the applicable subheading + a duty of 50% upon the value of the copper content	The duty provided in the applicable subheading + a duty of 50% upon the value of the copper content
9903.78.02	Articles as provided for in subdivision (c) of U.S. note 36 to this subchapter . . .	The duty provided in the applicable subheading	The duty provided in the applicable subheading	The duty provided in the applicable subheading."

3. U.S. note 2(v)(iii) to subchapter III of chapter 99 of the HTSUS is modified by deleting the following subheadings from its list:

7406.10.00	7407.29.40	7409.19.50
7406.20.00	7407.29.50	7409.19.90
7407.10.15	7408.11.30	7409.21.00
7407.10.30	7408.11.60	7409.29.00
7407.10.50	7408.19.00	7409.31.10
7407.21.15	7408.21.00	7409.31.50
7407.21.30	7408.22.10	7409.31.90
7407.21.50	7408.22.50	7409.39.10
7407.21.70	7408.29.10	7409.39.50
7407.21.90	7408.29.50	7409.39.90
7407.29.16	7409.11.10	7409.40.00
7407.29.34	7409.11.50	7409.90.10
7407.29.38	7409.19.10	7409.90.50

7409.90.90	7412.10.00	7418.20.10
7410.11.00	7412.20.00	7418.20.50
7410.12.00	7413.00.10	7419.20.00
7410.21.30	7413.00.50	7419.80.03
7410.21.60	7413.00.90	7419.80.06
7410.22.00	7415.10.00	7419.80.09
7411.10.10	7415.21.00	7419.80.15
7411.10.50	7415.29.00	7419.80.16
7411.21.10	7415.33.05	7419.80.17
7411.21.50	7415.33.10	7419.80.30
7411.22.00	7415.33.80	7419.80.50
7411.29.10	7415.39.00	
7411.29.50	7418.10.00	

4. U.S. note 2(v) to subchapter III of chapter 99 of the HTSUS is modified by:

i. renumbering subdivision (xii) to (xiii);

ii. renumbering subdivision (xiii) to (xiv);

iii. deleting the first paragraph of subdivision (i) and inserting the following in lieu thereof:

"Except as provided in headings 9903.01.26–9903.01.33, in heading 9903.01.34, in heading 9903.96.01, and in subdivisions (v)(ii) through (v)(xiii) of this note, and other than products for personal use included in accompanied baggage of persons arriving in the United States, headings 9903.01.25, 9903.01.35, 9903.01.39, and 9903.01.43–9903.01.76 impose additional ad valorem rates of duty on imports of all products. Notwithstanding U.S. note 1 to this subchapter, all products that are subject to the additional ad valorem rate of duty imposed by these headings shall also be subject to the general rates of duty imposed under subheadings in chapters 1 to 97 of the tariff schedule. Except as provided in subdivisions (v)(ii) through (v)(xiii) of this note, all products that are subject to the additional ad valorem rates of duty imposed by these headings shall also be subject to any additional duty provided for in this subchapter or subchapter IV of chapter 99. Products that are eligible for special tariff treatment under general note 3(c)(i) to the tariff schedule, or that are eligible for temporary duty exemptions or reductions under subchapter II to chapter 99, shall be subject to the additional

ad valorem rate of duty imposed by these headings except as provided in 9903.96.01 with respect to the Agreement on Trade and Civil Aircraft."

iv. adding new subdivision (xii) in numerical order:

"The additional duties imposed by headings 9903.01.25, 9903.01.35, 9903.01.39, and 9903.01.43–9903.01.76 shall not apply to semi-finished copper and intensive copper derivative products provided for in 9903.78.01."

5. Heading 9903.01.33 is modified to delete the article description and insert the following in lieu thereof:

"Articles of iron or steel, derivative articles of iron or steel, articles of aluminum, derivative articles of aluminum, passenger vehicles (sedans, sport utility vehicles, crossover utility vehicles, minivans, and cargo vans) and light trucks and parts of passenger vehicles (sedans, sport utility vehicles, crossover utility vehicles, minivans, and cargo vans) and light trucks, semi-finished copper and intensive copper derivative products, of any country, as provided in subdivision (v)(vi) through (v)(xii) of note 2 to this subchapter"

6. The article description of heading 9903.01.34 is modified by deleting "(v)(xii)" and inserting "(v)(xiii)" in lieu thereof.

7. U.S. note 33(f) to subchapter III of chapter 99 of the HTSUS is modified by deleting the last sentence and inserting the following, in lieu thereof:

"All antidumping, countervailing, or other duties and charges applicable to such goods shall continue to be imposed in addition to the duty in heading 9903.94.05, except that entries of parts of passenger vehicles (sedans, sport utility vehicles, crossover utility vehicles, minivans, and cargo vans) and entries of parts of light trucks shall not be subject to: (1) the additional duties imposed on entries of semi-finished copper products and copper-intensive derivative products under heading 9903.78.01; (2) the additional duties imposed on entries of products of aluminum under headings 9903.85.02 and 9903.85.12; (3) the additional duties imposed on entries of derivative aluminum products under headings 9903.85.04, 9903.85.07, 9903.85.08, 9903.85.13, 9903.85.14, and 9903.85.15; (4) the additional duties imposed on entries of iron or steel products under headings 9903.81.87, 9903.81.88, 9903.81.94 and 9903.81.95; (5) the additional duties imposed on

entries of derivative iron or steel products under headings 9903.81.89, 9903.81.90, 9903.81.91, 9903.81.93, 9903.81.96, 9903.81.97, 9903.81.98 and 9903.81.99; (6) the additional duties imposed on entries of articles the product of Canada under heading 9903.01.10; and (7) the additional duties imposed on entries of articles the product of Mexico under heading 9903.01.01."

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Presidential Documents

Executive Order 14323 of July 30, 2025

Addressing Threats to the United States by the Government of Brazil

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), the National Emergencies Act (50 U.S.C. 1601 *et seq.*) (NEA), section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483), and section 301 of title 3, United States Code, I hereby order:

Section 1. *National Emergency*. As President of the United States, my highest duty is protecting the national security, foreign policy, and economy of this country. Recent policies, practices, and actions of the Government of Brazil threaten the national security, foreign policy, and economy of the United States. Members of the Government of Brazil have taken actions that interfere with the economy of the United States, infringe the free expression rights of United States persons, violate human rights, and undermine the interest the United States has in protecting its citizens and companies. Members of the Government of Brazil are also politically persecuting a former President of Brazil, which is contributing to the deliberate breakdown in the rule of law in Brazil, to politically motivated intimidation in that country, and to human rights abuses.

Recently, members of the Government of Brazil have taken unprecedented actions that harm and are a threat to the economy of the United States, conflict with and threaten the policy of the United States to promote free speech and free and fair elections at home and abroad, and violate fundamental human rights. Indeed, certain Brazilian officials have issued orders to compel United States online platforms to censor the accounts or content of United States persons, where such accounts or content are protected by the First Amendment to the United States Constitution within the United States; block the ability of United States persons to raise money on their platforms; change their content moderation policies, enforcement practices, or algorithms in ways that may result in the censorship of the content and accounts of United States persons; and provide the user data of accounts belonging to United States persons, facilitating the targeting of political critics in the United States.

For example, Brazilian Supreme Court Justice Alexandre de Moraes has abused his judicial authority to target political opponents, shield corrupt allies, and suppress dissent, often in coordination with other Brazilian officials. Justice de Moraes has authorized politically motivated police raids, arrests, and bank account freezes. He has also authorized the confiscation of passports, jailed individuals without trial for social media posts, opened unprecedented criminal investigations, including into United States citizens for their constitutionally protected speech in the United States, and issued secret orders to United States social media companies to censor thousands of posts and de-platform dozens of political critics, including United States persons, for lawful speech on United States soil. When United States and United States-headquartered companies have refused to comply with his unlawful censorship demands, Justice de Moraes has imposed substantial fines on United States and United States-headquartered companies, ordered the suspension of United States and United States-headquartered companies in Brazil, and threatened United States and United States-headquartered

company executives with criminal prosecution. In fact, Justice de Moraes is currently overseeing the Government of Brazil's criminal prosecution of a United States resident for speech he made on United States soil.

These judicial actions, taken under the pretext of combatting ''disinformation,'' ''fake news,'' or ''anti-democratic'' or ''hateful'' content, endanger the economy of the United States by tyrannically and arbitrarily coercing United States companies to censor political speech, turn over sensitive United States user data, or change their content moderation policies on pain of extraordinary fines, criminal prosecution, asset freezes, or complete exclusion from the Brazilian market. These actions also chill and limit expression in the United States, violate human rights, and undermine the interest that the United States has in protecting its citizens and companies at home and abroad.

Brazilian officials are also persecuting former President of Brazil Jair Bolsonaro. The Government of Brazil has unjustly charged Bolsonaro with multiple crimes related to Bolsonaro's 2022 runoff election, and the Supreme Court of Brazil has misguidedly ruled that Bolsonaro must stand trial for these unjustified criminal charges. Political persecution, through drummed up prosecutions, threatens the orderly development of Brazil's political, administrative, and economic institutions, including undermining the ability of Brazil to hold a free and fair election of the presidency in 2026. The Government of Brazil's treatment of former President Bolsonaro also contributes to the deliberate breakdown in the rule of law in Brazil, to politically motivated intimidation in that country, and to human rights abuses.

I find that the unprecedented actions taken by the Government of Brazil have violated the free expression rights of United States persons, interfered with the economy of the United States by coercing United States and United States-headquartered companies to censor United States persons for speech protected by the First Amendment to the United States Constitution on pain of extraordinary fines, criminal prosecution, asset freezes, or complete exclusion from the Brazilian market, subverted the interest of the United States in protecting its citizens and companies, undermined the rule of law in Brazil, and jeopardized the orderly development of Brazil's political, administrative, and economic institutions. The policies, practices, and actions of the Government of Brazil are repugnant to the moral and political values of democratic and free societies and conflict with the policy of the United States to promote democratic governments throughout the world, the principle of free expression and free and fair elections, the rule of law, and respect for human rights.

NOW, THEREFORE, I, DONALD J. TRUMP, President of the United States of America, find that the scope and gravity of the recent policies, practices, and actions of the Government of Brazil constitute an unusual and extraordinary threat, which has its source in whole or substantial part outside the United States, to the national security, foreign policy, and economy of the United States and hereby declare a national emergency with respect to that threat.

To deal with the national emergency declared in this order, I determine that it is necessary and appropriate to impose an additional *ad valorem* duty rate of 40 percent on certain products of Brazil, as detailed below. In my judgment, this action is necessary and appropriate to deal with the national emergency declared in this order. I am taking the action in this order only for the purpose of addressing the national emergency declared in this order and not for any other purpose.

Sec. 2. *Tariff Modifications.* (a) Articles of Brazil imported into the customs territory of the United States shall be, consistent with law, subject to an additional *ad valorem* rate of duty of 40 percent. This rate of duty shall be effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time 7 days after the date of this order, except those goods encompassed by 50 U.S.C. 1702(b) or set forth in Annex I to this order, and except

for goods that (1) were loaded onto a vessel at the port of loading and in transit on the final mode of transit prior to entry into the United States, before 12:01 a.m. eastern daylight time 7 days after the date of this order; and (2) are entered for consumption, or withdrawn from warehouse for consumption before 12:01 a.m. eastern daylight time on October 5, 2025. The Harmonized Tariff Schedule of the United States shall be modified as provided in Annex II to this order.

(b) U.S. Customs and Border Protection may take any necessary or appropriate measure to administer the duty imposed by this order.

Sec. 3. *Scope of Duties and Stacking.* (a) The *ad valorem* duty imposed in this order is in addition to any other duties, fees, taxes, exactions, and charges applicable to such imports, unless subject to existing or future actions under section 232 of the Trade Expansion Act of 1962, in which case the *ad valorem* duty imposed in this order shall not apply.

(b) The *ad valorem* duty imposed in this order shall not apply to articles that are excepted by 50 U.S.C. 1702(b) or set forth in Annex I to this order, including certain silicon metal, pig iron, civil aircraft and parts and components thereof, metallurgical grade alumina, tin ore, wood pulp, precious metals, energy and energy products, and fertilizers.

(c) The *ad valorem* duty imposed in Executive Order 14257 of April 2, 2025 (Regulating Imports With a Reciprocal Tariff To Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits), as amended, shall apply in addition to the *ad valorem* duty imposed in this order, when applicable pursuant to the terms of Executive Order 14257.

(d) Subject articles, except those eligible for admission under ''domestic status'' as defined in 19 CFR 146.43, which are subject to the duty specified in section 2 of this order and are admitted into a foreign trade zone on or after 12:01 a.m. eastern daylight time 7 days after the date of this order, must be admitted as ''privileged foreign status'' as defined in 19 CFR 146.41.

Sec. 4. *Modification Authority.* (a) To ensure that the emergency declared in this order is dealt with, I may modify this order, including in light of additional information, recommendations from senior officials, or changed circumstances.

(b) Should the Government of Brazil retaliate against the United States in response to this action, I will modify this order to ensure the efficacy of the actions herein ordered. For example, if the Government of Brazil retaliates by raising tariff rates on United States exports, I will increase the *ad valorem* duty rate set forth in this order by a corresponding amount.

(c) Should the Government of Brazil take significant steps to address the national emergency declared in this order and align sufficiently with the United States on national security, economic, and foreign policy matters described in this order, I may further modify this order.

Sec. 5. *Monitoring and Recommendations.* (a) The Secretary of State shall monitor, and regularly consult with any senior official the Secretary of State deems appropriate on, the situation involving the Government of Brazil.

(b) The Secretary of State, in consultation with the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Homeland Security, the United States Trade Representative, the Assistant to the President for National Security Affairs, the Assistant to the President for Economic Policy, and the Assistant to the President and Senior Counselor for Trade and Manufacturing shall recommend to me additional action, if necessary, if this action is not effective in resolving the emergency declared in this order or should the Government of Brazil retaliate against the United States in response to the actions taken in this order or any subsequent order issued to address this emergency.

Sec. 6. *Delegation.* The Secretary of State, in consultation with the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Homeland Security, the United States Trade Representative, the Assistant to the President for National Security Affairs, the Assistant to the President for Economic

Policy, the Assistant to the President and Senior Counselor for Trade and Manufacturing, and the Chair of the United States International Trade Commission, is hereby authorized to employ all powers granted to the President by IEEPA as may be necessary to carry out the purposes of this order. The Secretary of State may, consistent with law, redelegate the authority set forth in this order within the Department of State. Each executive department and agency shall take all appropriate measures within its authority to carry out this order.

Sec. 7. *Reporting Directives.* The Secretary of State, in consultation with the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Homeland Security, the United States Trade Representative, the Assistant to the President for National Security Affairs, the Assistant to the President for Economic Policy, and the Assistant to the President and Senior Counselor for Trade and Manufacturing, is hereby authorized and directed to submit recurring and final reports to the Congress on the national emergency declared in, and authorities exercised by, this order, consistent with section 401 of the NEA (50 U.S.C. 1641) and section 204(c) of IEEPA (50 U.S.C. 1703(c)).

Sec. 8. *Severability.* If any provision of this order, or the application of any provision to any individual or circumstance, is held to be invalid, the remainder of this order and the application of its other provisions to any other individuals or circumstances shall not be affected thereby.

Sec. 9. *General Provisions.* (a) Nothing in this order shall be construed to impair or otherwise affect:

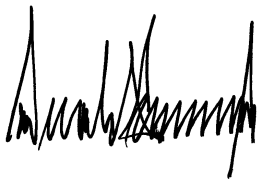
(i) the authority granted by law to an executive department, agency, or the head thereof; or

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

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

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

(d) The costs for publication of this order shall be borne by the Department of State.



THE WHITE HOUSE,
July 30, 2025.

Billing code 4710–05–P

ANNEX I

Note: All products that are classified in the 8-digit subheadings of the Harmonized Tariff Schedule of the United States (HTSUS) that are listed in this Annex are not covered by the action. The product descriptions that are contained in this Annex are provided for informational purposes only, and are not intended to delimit in any way the scope of the action. In all cases, the formal language in Annex II governs the tariff treatment of products covered by the action. Any questions regarding the scope of particular HTSUS subheadings should be referred to U.S. Customs and Border Protection. In the product descriptions, the abbreviation "nesoi" means "not elsewhere specified or included".

A subheading marked with "*" includes only articles of civil aircraft (all aircraft other than military aircraft); their engines, parts, and components; their other parts, components, and subassemblies; and ground flight simulators and their parts and components of Brazil, that otherwise meet the criteria of General Note 6 of HTSUS, regardless of whether a product is entered under a provision for which the rate of duty "Free (C)" appears in the "Special" subcolumn.

HTSUS	Articles of Civil Aircraft only	Description
0801.21.00		Brazil nuts in shell, fresh or dried
2008.30.35		Orange pulp
2009.11.00		Orange juice, frozen
2009.12.25		Orange juice, not frozen, Brix value <20, not concentrated
2009.12.45		Orange juice, not frozen, Brix value <20, other
2525.10.00		Crude mica
2601.11.00		Iron ore, non-agglomerated
2601.12.00		Iron ore, agglomerated
2609.00.00		Tin ores and concentrates
2701.11.00		Coal, anthracite, whether or not pulverized, but not agglomerated
2701.12.00		Coal, bituminous, whether or not pulverized, but not agglomerated
2701.19.00		Coal, other than anthracite or bituminous, whether or not pulverized, but not agglomerated
2701.20.00		Coal, briquettes, ovoids and similar solid fuels manufactured from coal
2702.10.00		Lignite (excluding jet), whether or not pulverized, but not agglomerated
2702.20.00		Lignite (excluding jet), agglomerated
2703.00.00		Peat (including peat litter), whether or not agglomerated
2704.00.00		Coke and semicoke of coal, lignite or peat, whether or not agglomerated; retort carbon
2705.00.00		Coal gas, water gas, producer gas and similar gases, other than petroleum gases and other gaseous hydrocarbons
2706.00.00		Tars (including reconstituted tars), distilled from coal, lignite or peat, and other mineral tars, whether or not dehydrated or partially distilled
2707.10.00		Benzene, from the distillation of high-temperature coal tar, or in which the weight of the aromatic constituents exceeds that of the nonaromatic constituents
2707.20.00		Toluene, from the distillation of high-temperature coal tar, or in which the weight of aromatic constituents exceeds that of the nonaromatic constituents
2707.30.00		Xylenes, from the distillation of high-temperature coal tar, or in which the weight of the aromatic constituents exceeds that of the nonaromatic constituents

HTSUS	Articles of Civil Aircraft only	Description
2707.40.00		Naphthalene, from the distillation of high-temperature coal tar, or in which the weight of the aromatic constituents exceeds that of the nonaromatic constituents
2707.50.00		Aromatic hydrocarbon mixtures (from the distillation of high-temperature coal tar, or similar products in which the weight of the aromatic constituents exceeds that of the nonaromatic constituents), other than Benzene, Toluene, Xylenes, and Naphathalene, in which 65% or more by volume (including losses) distills at 250 C by the ISO 3405 method (equivalent to the ASTM D 86 method)
2707.91.00		Creosote oils, from the distillation of high-temperature coal tar or similar products in which the weight of the aromatic constituents exceeds that of the nonaromatic constituents
2707.99.10		Light oil, from the distillation of high-temperature coal tar or similar products in which the weight of the aromatic constituents exceeds that of the nonaromatic constituents
2707.99.20		Picolines, from the distillation of high-temperature coal tar or similar products in which the weight of the aromatic constituents exceeds that of the nonaromatic constituents
2707.99.40		Carbazole, from the distillation of high-temperature coal tar or similar products in which the weight of the aromatic constituents exceeds that of the nonaromatic constituents, having a purity of 65% or more by weight
2707.99.51		Phenols, from the distillation of high-temperature coal tar or similar products in which the weight of aromatic constituents exceeds that of nonaromatic constituents, containing more than 50% by weight of hydroxybenzene
2707.99.55		Metacresol, orthocresol, paracresol, and metaparacresol, from the distillation of high-temperature coal tar or similar products where the weight of the aromatic constituents exceeds that of the nonaromatic constituents, having a purity of 75% or more by weight
2707.99.59		Phenols, nesoi
2707.99.90		Other products of the distillation of high-temperature coal tar and similar products in which the weight of the aromatic constituents exceed that of the nonaromatic constituents, nesoi
2708.10.00		Pitch, obtained from coal tar or other mineral tars
2708.20.00		Pitch coke, obtained from coal tar or other mineral tars
2709.00.10		Petroleum oils and oils from bituminous minerals, crude, testing under 25 degrees A.P.I.
2709.00.20		Petroleum oils and oils from bituminous minerals, crude, testing 25 degrees A.P.I. or more
2710.12.15		Light oil motor fuel from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.12.18		Light oil motor fuel blending stock from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.12.25		Naphthas (except motor fuel or motor fuel blending stock) from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.12.45		Other light oil mixtures of hydrocarbons nesoi, containing by weight not over 50% of any single hydrocarbon compound, from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.12.90		Other light oils and preparations from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.19.06		Distillate and residual fuel oils (including blended fuel oils), testing under 25 degrees A.P.I., from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi

HTSUS	Articles of Civil Aircraft only	Description
		containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.19.11		Distillate and residual fuel oils (including blended fuel oils), testing 25 degrees A.P.I. or more, from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.19.16		Kerosene-type jet fuel from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.19.24		Kerosene motor fuel (except kerosene-type jet fuel) from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.19.25		Kerosene motor fuel blending stock (except kerosene-type jet fuel) from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.19.26		Kerosene (except kerosene-type jet fuel, kerosene motor fuel, and kerosene motor fuel blending stock) from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.19.30		Lubricating oils, with or without additives, from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.19.35		Lubricating greases, containing not over 10% by weight of salts of fatty acids of animal (including marine animal) or vegetable origin, from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.19.40		Other lubricating greases from petroleum oils and oils of bituminous minerals (other than crude) or preparations containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, other than those containing biodiesel, and other than waste oils
2710.19.45		Mixtures of hydrocarbons nesoi, which contain by weight not over 50% of any single hydrocarbon compound, from petroleum oils and oils of bituminous minerals (other than crude) or preparations containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals
2710.19.90		Other petroleum oils and oils from bituminous minerals or preparations nesoi containing by weight 70% or more of petroleum oils or oils obtained from bituminous minerals
2710.20.05		Distillate and residual fuel oils (including blended fuel oils), testing under 25 degrees A.P.I., from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, containing biodiesel, and other than waste oils
2710.20.10		Distillate and residual fuel oils (including blended fuel oils), testing 25 degrees A.P.I. or more, from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, containing biodiesel, and other than waste oils
2710.20.15		Kerosene-type jet fuel, motor fuel or motor fuel blending stock, from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, containing biodiesel, and other than waste oils

HTSUS	Articles of Civil Aircraft only	Description
2710.20.25		Kerosene (except kerosene-type jet fuel, motor fuel or motor fuel blending stock, from petroleum oils and oils of bituminous minerals (other than crude) or preparations nesoi containing by weight 70%+ of petroleum oils or oils obtained from bituminous minerals, containing biodiesel, other than waste oils
2710.91.00		Waste oils containing polychlorinated biphenyls (PCBs), polychlorinated terphenyls (PCTs) or polybrominated biphenyls (PBBs)
2710.99.05		Wastes of distillate and residual fuel oil (including blends) testing under 25 degrees A.P.I.
2710.99.10		Wastes of distillate and residual fuel oil (including blends) testing 25 degrees A.P.I. or more
2710.99.16		Waste motor fuel or motor fuel blending stock
2710.99.21		Waste kerosene or naphthas
2710.99.31		Waste lubricating oils, with or without additives
2710.99.32		Waste lubricating greases, containing not over 10% by weight of fatty acids of animal (including marine animal) or vegetable origin
2710.99.39		Other wastes of lubricating oils and greases
2710.99.45		Waste oil mixtures of hydrocarbons nesoi containing not over 50% of any single hydrocarbon compound
2710.99.90		Other waste oils
2711.11.00		Natural gas, liquefied
2711.12.00		Propane, liquefied
2711.13.00		Butanes, liquefied
2711.14.00		Ethylene, propylene, butylene and butadiene, liquefied
2711.19.00		Petroleum gases and other gaseous hydrocarbons, liquefied, nesoi
2711.21.00		Natural gas, in gaseous state
2711.29.00		Petroleum gases and other gaseous hydrocarbons, except natural gas
2712.10.00		Petroleum jelly
2712.20.00		Paraffin wax (whether or not colored), obtained by synthesis or other process and less than 0.75% oil by weight
2712.90.10		Montan wax (whether or not colored), obtained by synthesis or other process
2712.90.20		Mineral waxes (i.e., paraffin with 0.75%+ oil, microcrystalline wax, slack lignite and peat waxes, ozokerite), obtained by synthesis
2713.11.00		Petroleum coke, not calcined
2713.12.00		Petroleum coke, calcined
2713.20.00		Petroleum bitumen
2713.90.00		Residues (except petroleum coke or petroleum bitumen) of petroleum oils or of oils obtained from bituminous materials
2714.10.00		Bituminous or oil shale and tar sands
2714.90.00		Bitumen and asphalt, natural; asphaltites and asphaltic rocks
2715.00.00		Bituminous mixtures based on natural asphalt, natural bitumen, petroleum bitumen, mineral tar or mineral tar pitch
2716.00.00		Electrical energy
2804.69.10		Silicon, containing by weight less than 99.99% but not less than 99% of silicon
2804.69.50		Silicon, containing by weight less than 99% of silicon
2815.20.00		Potassium hydroxide (Caustic potash)
2818.20.00		Aluminum oxide, other than artificial corundum
2825.90.20		Tin oxides
2827.39.25		Tin chlorides

HTSUS	Articles of Civil Aircraft only	Description
2903.19.05		1,2-dichloropropane (propylene dichloride) and dichlorobutanes
2903.19.10		Hexachloroethane and tetrachloroethane
2903.19.30		*Sec*-butyl chloride
2903.19.60		Other saturated chlorinated hydrocarbons, other
3105.10.00		Fertilizers of chapter 31 in tablets or similar forms or in packages of a gross weight not exceeding 10 kg
3105.20.00		Mineral or chemical fertilizers containing the three fertilizing elements nitrogen, phosphorus and potassium
3105.60.00		Mineral or chemical fertilizers containing the two fertilizing elements phosphorous and potassium
3917.21.00	*	Tubes, pipes and hoses, rigid, of polymers of ethylene
3917.22.00	*	Tubes, pipes and hoses, rigid, of polymers of propylene
3917.23.00	*	Tubes, pipes and hoses, rigid, of polymers of vinyl chloride
3917.29.00	*	Tubes, pipes and hoses, rigid, of other plastics, nesoi
3917.31.00	*	Flexible plastic tubes, pipes and hoses, having a minimum burst pressure of 27.6 MPa
3917.33.00	*	Flexible plastic tubes, pipes and hoses, nesoi, with fittings, not reinforced or otherwise combined with other materials, with fittings
3917.39.00	*	Flexible plastic tubes, pipes and hoses, nesoi
3917.40.00	*	Fittings of plastics for other tubes, pipes and hoses, nesoi
3926.90.45	*	Gaskets, washers and other seals of plastics
3926.90.94	*	Cards, not punched, suitable for use as, or in making, jacquard cards; Jacquard cards and jacquard heads for power-driven weaving machines, and parts thereof; and Transparent sheeting of plastics containing 30% or more by weight of lead
3926.90.96	*	Casing for bicycle derailleur cables and casing for cable or inner wire for caliper and cantilever brakes, whether or not cut to length, of plastic
3926.90.99	*	Other articles of plastic, nesoi
4008.29.20	*	Profile shapes of noncellular, vulcanized rubber other than hard rubber
4009.12.00	*	Tubes, pipes and hoses of vulcanized rubber other than hard rubber, not reinforced or combined with other materials, with fittings
4009.22.00	*	Tubes, pipes and hoses of vulcanized rubber other than hard rubber, reinforced or combined only with metal, with fittings
4009.32.00	*	Tubes, pipes and hoses of vulcanized rubber other than hard rubber, reinforced or combined only with textile materials, with fittings
4009.42.00	*	Tubes, pipes and hoses of vulcanized rubber other than hard rubber, reinforced or combined with other materials, nesoi, with fittings
4011.30.00	*	New pneumatic tires, of rubber, of a kind used on aircraft
4012.13.00	*	Retreaded pneumatic tires, of rubber, of a kind used on aircraft
4012.20.10	*	Used pneumatic tires of rubber, for aircraft
4016.10.00	*	Articles of cellular vulcanized rubber other than hard rubber
4016.93.50	*	Gaskets, washers and other seals, of noncellular vulcanized rubber other than hard rubber, not for use in the automotive goods of chapter 87
4016.99.35	*	Articles made of noncellular vulcanized natural rubber other than hard rubber, not used as vibration control goods in the vehicles of headings 8701 through 8705, nesoi
4016.99.60	*	Articles of noncellular vulcanized synthetic rubber other than hard rubber
4017.00.00	*	Hard rubber (for example, ebonite) in all forms, including waste and scrap; articles of hard rubber
4407.29.02		Tropical wood, nesoi, sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness exceeding 6 mm

HTSUS	Articles of Civil Aircraft only	Description
4504.90.00	*	Agglomerated cork and articles of agglomerated cork, nesoi
4702.00.00		Chemical woodpulp, dissolving grades
4703.11.00		Chemical woodpulp, soda or sulfate, other than dissolving grades, of unbleached coniferous wood
4703.19.00		Chemical woodpulp, soda or sulfate, other than dissolving grades, of unbleached nonconiferous wood
4703.21.00		Chemical woodpulp, soda or sulfate, other than dissolving grades, of semibleached or bleached coniferous wood
4703.29.00		Chemical woodpulp, soda or sulfate, other than dissolving grades, of semibleached or bleached nonconiferous wood
4704.11.00		Chemical woodpulp, sulfite, other than dissolving grades, of unbleached coniferous wood
4704.19.00		Chemical woodpulp, sulfite, other than dissolving grades, of unbleached nonconiferous wood
4704.21.00		Chemical woodpulp, sulfite, other than dissolving grades, of semibleached or bleached coniferous wood
4704.29.00		Chemical woodpulp, sulfite, other than dissolving grades, of semibleached or bleached nonconiferous wood
4705.00.00		Semichemical woodpulp
4706.10.00		Cotton linters pulp
4706.20.00		Pulps of fibers derived from recovered (waste and scrap) paper or paperboard
4706.30.00		Pulps of fibrous cellulosic material, of bamboo
4706.91.00		Pulps of fibrous cellulosic material, mechanical
4706.92.01		Pulps of fibrous cellulosic material, chemical
4706.93.01		Pulps of fibrous cellulosic material, semichemical
4823.90.10	*	Articles of paper pulp, nesoi
4823.90.20	*	Articles of papier-mâché, nesoi
4823.90.31	*	Cards of paper or paperboard, nesoi, not punched, for punchcard machines, whether or not in strips
4823.90.40	*	Frames or mounts for photographic slides of paper or paperboard
4823.90.50	*	Hand fans of paper or paperboard
4823.90.60	*	Gaskets, washers and other seals of coated paper or paperboard
4823.90.67	*	Coated paper or paperboard, nesoi
4823.90.70	*	Articles of cellulose wadding, nesoi
4823.90.80	*	Gaskets, washers and other seals of paper, paperboard and webs of cellulose fibers, nesoi
4823.90.86	*	Articles of paper pulp, paper, paperboard, cellulose wadding or webs of cellulose fibers, nesoi
5607.21.00		Binder or baler twine of sisal or other textile fibers of the genus Agave
6802.99.00		Worked monumental or building stone, nesoi
6812.80.90	*	Articles or mixtures of crocidolite, nesoi
6812.99.10	*	Paper, millboard and felt of asbestos, other than crocidolite
6812.99.20	*	Compressed asbestos (other than crocidolite) fiber jointing, in sheets or rolls
6812.99.90	*	Articles of mixtures of or with a basis of asbestos, nesoi, other than crocidolite
6813.20.00	*	Friction material and articles thereof, not mounted, containing asbestos
6813.81.00	*	Brake linings and pads, not containing asbestos
6813.89.00	*	Friction material and articles thereof, not mounted, not containing asbestos, nesoi
7007.21.11	*	Laminated safety glass windshields, of size and shape suitable for incorporation in vehicles, aircraft, spacecraft or vessels

HTSUS	Articles of Civil Aircraft only	Description
7106.91.10		Silver bullion and dore
7108.12.10		Gold, nonmonetary, bullion and dore
7201.10.00		Nonalloy pig iron containing by weight 0.5% or less of phosphorus
7201.20.00		Nonalloy pig iron containing by weight more than 0.5% of phosphorus
7201.50.30		Alloy pig iron in pigs, blocks or other primary forms
7201.50.60		Spiegeleisen in pigs, blocks or other primary forms
7202.60.00		Ferronickel
7202.93.40		Ferroniobium, containing by weight less than 0.02% of phosphorus or sulfur or less than 0.4% of silicon
7202.93.80		Ferroniobium, other
7203.10.00		Ferrous products obtained by direct reduction of iron ore
7203.90.00		Spongy ferrous products, in lumps, pellets or like forms; iron of a minimum purity by weight of 99.94% in lumps, pellets or like forms
7304.31.30	*	Iron (other than cast) or nonalloy steel, seamless, cold-drawn or cold-rolled, hollow bars with circular cross section
7304.31.60	*	Iron (other than cast) or nonalloy steel, seamless, cold-drawn or cold-rolled, tubes, pipes and hollow profiles, with circular cross section, nesoi
7304.39.00	*	Iron (other than cast) or nonalloy steel, seamless, not cold-drawn or cold-rolled, tubes, pipes and hollow profiles, with circular cross section, nesoi
7304.41.30	*	Stainless steel, seamless, cold-drawn or cold-rolled, tubes, pipes and hollow profiles, with circular cross section and external diameter of less than 19mm
7304.41.60	*	Stainless steel, seamless, cold-drawn or cold-rolled, tubes, pipes and hollow profiles, with circular cross section and external diameter of 19mm or more
7304.49.00	*	Stainless steel, seamless, not cold-drawn or cold-rolled, tubes, pipes and hollow profiles, with circular cross section
7304.51.10	*	Alloy steel (other than stainless), seamless, cold-drawn or cold-rolled, tubes, pipes and hollow profiles, with circular cross section, for manufacture of ball or roller bearings
7304.51.50	*	Alloy steel (other than stainless), seamless, cold-drawn or cold-rolled, tubes, pipes and hollow profiles, with circular cross section, nesoi
7304.59.10	*	Alloy steel (other than stainless), seamless, not old-drawn or cold-rolled, tubes, pipes and hollow profiles, with circular cross section, for manufacture of ball or roller bearings
7304.59.20	*	Alloy steel (other than stainless), seamless, not cold-drawn or cold-rolled, tubes, pipes and hollow profiles, with circular cross section, for boilers, heaters, etc.
7304.59.60	*	Heat-resisting alloy steel (other than stainless), seamless, not cold-drawn or cold-rolled, tubes, pipes and hollow profiles, with circular cross section, nesoi
7304.59.80	*	Alloy steel (other than heat-resist or stainless), seamless, not cold-drawn or cold-rolled, tubes, pipes and hollow profiles, with circular cross section, nesoi
7304.90.10	*	Iron (other than cast) or nonalloy steel, seamless, tubes, pipes and hollow profiles, other than circular cross section, with wall thickness of 4 mm or more
7304.90.30	*	Alloy steel (other than stainless), seamless, tubes, pipes and hollow profiles, other than circular cross section, with wall thickness of 4 mm or more
7304.90.50	*	Iron (other than cast) or nonalloy steel, seamless, tubes, pipes and hollow profiles, other than circular cross section, with wall thickness of less than 4 mm
7304.90.70	*	Alloy steel (other than stainless), seamless, tubes, pipes and hollow profiles, other than circular cross section, with wall thickness of less than 4 mm
7306.30.10	*	Iron or nonalloy steel, welded, with circular cross section and external diameter of 406.4mm or less, tubes, pipes and hollow profiles, with wall thickness of less than 1.65 mm
7306.30.30	*	Nonalloy steel, welded, with circular cross-section and external diameter 406.4mm or less, tapered pipes and tubes, with wall thickness of 1.65 mm+, principally used as parts of illuminating articles

HTSUS	Articles of Civil Aircraft only	Description
7306.30.50	*	Iron or nonalloy steel, welded, with circular cross section and external diameter of 406.4mm or less, pipes, tubes and hollow profiles, with wall thickness of 1.65 mm or more
7306.40.10	*	Stainless steel, welded, with circular cross section and external diameter of 406.4mm or less, tubes, pipes and hollow profiles, with wall thickness of less than 1.65 mm
7306.40.50	*	Stainless steel, welded, with circular cross section and external diameter of 406.4mm or less, tubes, pipes and hollow profiles, with wall thickness of 1.65 mm or more
7306.50.10	*	Alloy steel (other than stainless), welded, with circular cross section and external diameter of 406.4mm or less, tubes, pipes and hollow profiles, with wall thickness of less than 1.65 mm
7306.50.30	*	Alloy steel (other than stainless), welded, with circular cross section and external diameter 406.4mm or less, tapered pipes and tubes, with wall thickness of 1.65 mm+, principally used as parts of illuminating articles
7306.50.50	*	Alloy steel (other than stainless), welded, with circular cross section and external diameter of 406.4mm or less, tubes, pipes and hollow profiles, with wall thickness of 1.65 mm+
7306.61.10	*	Iron or nonalloy steel, welded, with square or rectangular cross section, tubes, pipes and hollow profiles, with wall thickness of 4 mm or more
7306.61.30	*	Alloy steel, welded, with square or rectangular cross section, tubes, pipes and hollow profiles, with wall thickness of 4 mm or more
7306.61.50	*	Iron or nonalloy steel, welded, with square or rectangular cross section, tubes, pipes and hollow profiles, with wall thickness of less than 4 mm
7306.61.70	*	Alloy steel, welded, with square or rectangular cross section, tubes, pipes and hollow profiles, with wall thickness of less than 4 mm
7306.69.10	*	Iron or nonalloy steel, welded, with other non-circular cross section, tubes, pipes and hollow profiles, with wall thickness of 4 mm or more
7306.69.30	*	Alloy steel, welded, with other non-circular cross-section, tubes, pipes and hollow profiles, with wall thickness of 4 mm or more
7306.69.50	*	Iron or nonalloy steel, welded, with other non-circular cross section, tubes, pipes and hollow profiles, with wall thickness of less than 4 mm
7306.69.70	*	Alloy steel, welded, with other non-circular cross section, tubes, pipes and hollow profiles, with wall thickness of less than 4 mm
7312.10.05	*	Stainless steel, stranded wire, not electrically insulated, fitted with fittings or made up into articles
7312.10.10	*	Stainless steel, stranded wire, not electrically insulated, not fitted with fittings or made up into articles
7312.10.20	*	Iron or steel (other than stainless), stranded wire, not electrically insulated, fitted with fittings or made up into articles
7312.10.30	*	Iron or steel (other than stainless), stranded wire, not electrically insulated, not fitted with fittings or made up into articles
7312.10.50	*	Stainless steel, ropes, cables and cordage (other than stranded wire), not electrically insulated, fitted with fittings or made up into articles
7312.10.60	*	Stainless steel, ropes, cables and cordage (other than stranded wire), not electrically insulated, not fitted with fittings or made up into articles
7312.10.70	*	Iron or steel (other than stainless), ropes, cables and cordage (other than stranded wire), not electrically insulated, fitted with fittings or made up into articles
7312.10.80	*	Iron or steel (other than stainless), ropes, cables and cordage, of brass plated wire (other than stranded wire), not electrically insulated, without fittings or arts.
7312.10.90	*	Iron or steel (other than stainless), ropes, cables and cordage, other than of brass plate wire (other than stranded wire), not electrically insulated, without fittings etc.
7312.90.00	*	Iron or steel (other than stainless), plaited bands, slings and the like, not electrically insulated
7322.90.00	*	Iron or steel, non-electrically heated air heaters and hot air distributors with motor driven fan or blower and parts thereof
7324.10.00	*	Stainless steel, sinks and wash basins

HTSUS	Articles of Civil Aircraft only	Description
7324.90.00	*	Iron or steel, sanitary ware (other than baths or stainless steel sinks and wash basins) and parts thereof
7326.20.00	*	Iron or steel, articles of wire, nesoi
7413.00.90	*	Copper, stranded wire, cables, plaited bands and the like, not electrically insulated, fitted with fittings or made up into articles
7608.10.00	*	Tubes and pipes, aluminum, not alloyed
7608.20.00	*	Tubes and pipes, of aluminum alloys
8002.00.00		Tin waste and scrap
8108.90.60	*	Wrought titanium, nesoi
8302.10.60	*	Iron or steel, aluminum, or zinc hinges and base metal parts thereof, not designed for motor vehicles
8302.10.90	*	Base metal (other than iron or steel or aluminum or zinc) hinges and base metal parts thereof
8302.20.00	*	Base metal castors and base metal parts thereof
8302.42.30	*	Iron or steel, aluminum, or zinc mountings, fittings and similar articles, suitable for furniture, and base metal parts thereof
8302.42.60	*	Base metal (other than iron or steel or aluminum or zinc) mountings, fittings and similar articles, suitable for furniture, and base metal parts thereof
8302.49.40	*	Base metal harness, saddlery or riding-bridle hardware, not coated or plated with precious metal, and base metal parts thereof
8302.49.60	*	Iron or steel, aluminum, or zinc, mountings, fittings and similar articles nesoi, and base metal parts thereof
8302.49.80	*	Base metal (other than iron or steel or aluminum or zinc) mountings, fittings and similar articles nesoi, and base metal parts thereof
8302.60.30	*	Base metal automatic door closers
8307.10.30	*	Iron or steel flexible tubing, with fittings
8307.90.30	*	Base metal (other than iron or steel) flexible tubing, with fittings
8407.10.00	*	Spark-ignition reciprocating or rotary internal combustion piston engines for use in aircraft
8408.90.90	*	Compression-ignition internal combustion piston engines, for machinery or equipment, nesoi
8409.10.00	*	Parts for internal combustion aircraft engines
8411.11.40	*	Aircraft turbojets of a thrust not exceeding 25 kN
8411.11.80	*	Turbojets of a thrust not exceeding 25 kN, other than aircraft
8411.12.40	*	Aircraft turbojets of a thrust exceeding 25 kN
8411.12.80	*	Turbojets of a thrust exceeding 25 kN, other than aircraft
8411.21.40	*	Aircraft turbopropellers of a power not exceeding 1,100 kW
8411.21.80	*	Turbopropellers of a power not exceeding 1,100 kW, other than aircraft
8411.22.40	*	Aircraft turbopropellers of a power exceeding 1,100 kW
8411.22.80	*	Turbopropellers of a power exceeding 1,100 kW, other than aircraft
8411.81.40	*	Aircraft gas turbines other than turbojets or turbopropellers, of a power not exceeding 5,000 kW
8411.82.40	*	Aircraft gas turbines other than turbojets or turbopropellers, of a power exceeding 5,000 kW
8411.91.10	*	Cast-iron parts of turbojets or turbopropellers, not advanced beyond cleaning, machined only for removal of fins, gates, sprues and risers, or to permit location in machinery
8411.91.90	*	Parts of turbojets or turbopropellers other than those of subheading 8411.91.10
8411.99.10	*	Cast-iron parts of gas turbines nesoi, not advanced beyond cleaning, and machined only for removal of fins, gates, sprues and risers
8411.99.90	*	Parts of gas turbines nesoi, other than those of subheading 8411.99.10
8412.10.00	*	Reaction engines other than turbojets

HTSUS	Articles of Civil Aircraft only	Description
8412.21.00	*	Hydraulic power engines and motors, linear acting (cylinders)
8412.29.40	*	Hydrojet engines for marine propulsion
8412.29.80	*	Hydraulic power engines and motors, nesoi
8412.31.00	*	Pneumatic power engines and motors, linear acting (cylinders)
8412.39.00	*	Pneumatic power engines and motors, other than linear acting
8412.80.10	*	Spring-operated and weight-operated motors
8412.80.90	*	Engines and motors, nesoi (excluding motors of heading 8501)
8412.90.90	*	Parts for engines of heading 8412 other than hydrojet engines for marine propulsion
8413.19.00	*	Pumps for liquids fitted or designed to be fitted with a measuring device, nesoi
8413.20.00	*	Hand pumps other than those of subheading 8413.11 or 8413.19, not fitted with a measuring device
8413.30.10	*	Fuel-injection pumps for compression-ignition engines, not fitted with a measuring device
8413.30.90	*	Fuel, lubricating or cooling medium pumps for internal combustion piston engines, not fitted with a measuring device, nesoi
8413.50.00	*	Reciprocating positive displacement pumps for liquids, not fitted with a measuring device, nesoi
8413.60.00	*	Rotary positive displacement pumps for liquids, not fitted with a measuring device, nesoi
8413.70.10	*	Stock centrifugal pumps imported for use with machines for making cellulosic pulp, paper or paperboard, not fitted with a measuring device
8413.70.20	*	Centrifugal pumps for liquids, not fitted with a measuring device, nesoi
8413.81.00	*	Pumps for liquids, not fitted with a measuring device, nesoi
8413.91.10	*	Parts of fuel-injection pumps for compression-ignition engines
8413.91.20	*	Parts of stock pumps imported for use with machines for making cellulosic pulp, paper or paperboard
8413.91.90	*	Parts of pumps, nesoi
8414.10.00	*	Vacuum pumps
8414.20.00	*	Hand-operated or foot-operated air pumps
8414.30.40	*	Compressors of a kind used in refrigerating equipment (including air conditioning) not exceeding 1/4 horsepower
8414.30.80	*	Compressors of a kind used in refrigerating equipment (including air conditioning) exceeding 1/4 horsepower
8414.51.30	*	Ceiling fans for permanent installation, with a self-contained electric motor of an output not exceeding 125 W
8414.51.90	*	Table, floor, wall, window or roof fans, with a self-contained electric motor of an output not exceeding 125 W
8414.59.30	*	Turbocharger and supercharger fans
8414.59.65	*	Other fans, nesoi
8414.80.05	*	Turbocharger and supercharger air compressors
8414.80.16	*	Air compressors, nesoi
8414.80.20	*	Gas compressors, nesoi
8414.80.90	*	Air or gas pumps, compressors and fans, nesoi
8414.90.10	*	Parts of fans (including blowers) and ventilating or recycling hoods
8414.90.30	*	Stators and rotors of goods of subheading 8414.30
8414.90.41	*	Parts of air or gas compressors, nesoi
8414.90.91	*	Parts of air or vacuum pumps, ventilating or recycling hoods, gas-tight biological safety cabinets

HTSUS	Articles of Civil Aircraft only	Description
8415.10.60	*	Window or wall type air conditioning machines, split-system, incorporating a refrigerating unit and valve for reversal of cooling/heat cycle
8415.10.90	*	Window or wall type air conditioning machines, split-system, nesoi
8415.81.01	*	Air conditioning machines incorporating a refrigerating unit and valve for reversal of cooling/heat cycle, nesoi
8415.82.01	*	Air conditioning machines incorporating a refrigerating unit, nesoi
8415.83.00	*	Air conditioning machines not incorporating a refrigerating unit
8415.90.40	*	Chassis, chassis bases and outer cabinets for air conditioning machines
8415.90.80	*	Parts for air conditioning machines, nesoi
8418.10.00	*	Combined refrigerator-freezers, fitted with separate external doors or drawers, electric or other
8418.30.00	*	Freezers of the chest type, not exceeding 800 liters capacity, electric or other
8418.40.00	*	Freezers of the upright type, not exceeding 900 liters capacity, electric or other
8418.61.01	*	Heat pumps other than the air conditioning machines of heading 8415
8418.69.01	*	Refrigerating or freezing equipment, nesoi
8419.50.10	*	Brazed aluminum plate-fin heat exchangers
8419.50.50	*	Heat exchange units, nesoi
8419.81.50	*	Cooking stoves, ranges and ovens, other than microwaves, for making hot drinks or for cooking or heating food, not used for domestic purposes
8419.81.90	*	Machinery and equipment nesoi, for making hot drinks or for cooking or heating food, not used for domestic purposes
8419.90.10	*	Parts of instantaneous or storage water heaters
8419.90.20	*	Parts of machinery and plant, for making paper pulp, paper or paperboard
8419.90.30	*	Parts of heat exchange units
8419.90.50	*	Parts of molten-salt-cooled acrylic acid reactors, nesoi; parts of medical, surgical or laboratory sterilizers, nesoi
8419.90.85	*	Parts of electromechanical tools for working in the hand, with self-contained electric motor
8421.19.00	*	Centrifuges, other than cream separators or clothes dryers
8421.21.00	*	Machinery and apparatus for filtering or purifying water
8421.23.00	*	Oil or fuel filters for internal combustion engines
8421.29.00	*	Filtering or purifying machinery and apparatus for liquids, nesoi
8421.31.00	*	Intake air filters for internal combustion engines
8421.32.00	*	Catalytic converters or particulate filters, whether or not combined, for purifying or filtering exhaust gases from internal combustion engines
8421.39.01	*	Filtering or purifying machinery and apparatus for exhaust gases, other than intake air filters or catalytic converters, for internal combustion engines
8424.10.00	*	Fire extinguishers, whether or not charged
8425.11.00	*	Pulley tackle and hoists other than skip hoists or hoists used for raising vehicles, powered by electric motor
8425.19.00	*	Pulley tackle and hoists other than skip hoists or hoists used for raising vehicles, not powered by electric motor
8425.31.01	*	Winches and capstans, powered by electric motor
8425.39.01	*	Winches and capstans, not powered by electric motor
8425.42.00	*	Hydraulic jacks and hoists, nesoi
8425.49.00	*	Jacks and hoists of a kind used for raising vehicles, other than hydraulic, nesoi
8426.99.00	*	Ships' derricks, cranes and other lifting machinery, nesoi

HTSUS	Articles of Civil Aircraft only	Description
8428.10.00	*	Passenger or freight elevators other than continuous action; skip hoists
8428.20.00	*	Pneumatic elevators and conveyors
8428.33.00	*	Belt type continuous-action elevators and conveyors, for goods or materials
8428.39.00	*	Continuous-action elevators and conveyors, for goods or materials, nesoi
8428.90.03	*	Machinery for lifting, handling, loading or unloading, nesoi
8443.31.00	*	Multifunction units (machines which perform two or more of the functions of printing, copying or facsimile transmission, capable of connecting to an automatic data processing machine or to a network)
8443.32.10	*	Printer units, capable of connecting to an automatic data processing machine or to a network
8443.32.50	*	Single function units other than printer units (machines which perform only one of the functions of printing, copying or facsimile transmission)
8471.41.01	*	Automatic data processing machines, nonportable or over 10 kg, comprising in the same housing at least a central processing unit and an input and output unit, whether or not combined
8471.49.00	*	Automatic data processing machines, nesoi, entered in the form of systems (consisting of at least a central processing unit, and an input and output unit)
8471.50.01	*	Processing units other than those of subheading 8471.41 and 8471.49, nesoi
8471.60.10	*	Combined input/output units for automatic data processing machines not entered with the rest of a system
8471.60.20	*	Keyboards for automatic data processing machines not entered with the rest of a system
8471.60.70	*	Input or output units suitable for physical incorporation into an automatic data processing machine or unit thereof, nesoi, not entered with the rest of a system
8471.60.80	*	Optical scanners and magnetic ink recognition devices not entered with the rest of an automatic data processing system
8471.60.90	*	Other input or output units of digital automatic data processing machines, nesoi, not entered with the rest of a system
8471.70.10	*	Automatic data processing magnetic disk drive storage units, disk diameter exceeding 21 cm, without read-write unit assembled therein; read-write units; all not entered with the rest of a system
8471.70.20	*	Automatic data processing magnetic disk drive storage units, disk diameter exceeding 21 cm, for incorporation into automatic data processing machines or units, not entered with the rest of a system
8471.70.30	*	Automatic data processing magnetic disk drive storage units, disk diameter exceeding 21 cm, nesoi, not entered with the rest of a system
8471.70.40	*	Automatic data processing magnetic disk drive storage units, disk diameter not exceeding 21 cm, not assembled in cabinets, without attached external power supply, not entered with the rest of a system
8471.70.50	*	Automatic data processing magnetic disk drive storage units, disk diameter not exceeding 21 cm, nesoi, not entered with the rest of a system
8471.70.60	*	Automatic data processing storage units other than magnetic disk, not assembled in cabinets for placing on a table etc., not entered with the rest of a system
8471.70.90	*	Automatic data processing storage units other than magnetic disk drive units, nesoi, not entered with the rest of a system
8479.89.10	*	Air humidifiers or dehumidifiers with self-contained electric motor, other than for domestic purposes
8479.89.20	*	Floor polishers with self-contained electric motor, other than for domestic purposes
8479.89.65	*	Electromechanical appliances with self-contained electric motor, nesoi
8479.89.70	*	Carpet sweepers, not electromechanical appliances with self-contained electric motor
8479.89.95	*	Other machines and mechanical appliances having individual functions, not specified or included elsewhere in chapter 84, nesoi

HTSUS	Articles of Civil Aircraft only	Description
8479.90.41	*	Parts of air humidifiers or dehumidifiers of subheading 8479.89.10; parts of carpet sweepers of subheading 8479.89.70
8479.90.45	*	Parts of trash compactors, frame assemblies
8479.90.55	*	Parts of trash compactors, ram assemblies
8479.90.65	*	Parts of trash compactors, container assemblies
8479.90.75	*	Parts of trash compactors, cabinets or cases
8479.90.85	*	Parts of trash compactors, nesoi
8479.90.95	*	Parts of machines and mechanical appliances having individual functions, not specified or included elsewhere in chapter 84, nesoi
8483.10.10	*	Camshafts and crankshafts for use solely or principally with spark-ignition internal combustion piston or rotary engines
8483.10.30	*	Camshafts and crankshafts, nesoi
8483.10.50	*	Transmission shafts and cranks other than camshafts and crankshafts
8483.30.40	*	Bearing housings of the flange, take-up, cartridge and hanger unit type
8483.30.80	*	Bearing housings nesoi; plain shaft bearings
8483.40.10	*	Torque converters
8483.40.30	*	Fixed, multiple and variable ratio speed changers, imported for use with machines for making cellulosic pulp, paper or paperboard
8483.40.50	*	Fixed, multiple and variable ratio speed changers, not imported for use with machines for making cellulosic pulp, paper or paperboard
8483.40.70	*	Speed changers other than fixed, multiple and variable ratio speed changers
8483.40.80	*	Ball or roller screws
8483.40.90	*	Gears and gearing, other than toothed wheels, chain sprockets and other transmission elements entered separately
8483.50.40	*	Gray-iron awning or tackle pulleys, not over 6.4 cm in wheel diameter
8483.50.60	*	Flywheels
8483.50.90	*	Pulleys, including pulley blocks, nesoi
8483.60.40	*	Clutches and universal joints
8483.60.80	*	Shaft couplings (other than universal joints)
8483.90.10	*	Chain sprockets and parts thereof
8483.90.20	*	Parts of flange, take-up, cartridge and hanger units
8483.90.30	*	Parts of bearing housings and plain shaft bearings, nesoi
8483.90.50	*	Parts of gearing, gear boxes and other speed changers
8483.90.80	*	Parts of transmission equipment, nesoi
8484.10.00	*	Gaskets and similar joints of metal sheeting combined with other material or of two or more layers of metal
8484.90.00	*	Sets or assortments of gaskets and similar joints dissimilar in composition, put up in pouches, envelopes or similar packings
8501.20.50	*	Universal AC/DC motors of an output exceeding 735 W but under 746 W
8501.20.60	*	Universal AC/DC motors of an output of 746 W or more
8501.31.50	*	DC motors, nesoi, of an output exceeding 735 W but under 746 W
8501.31.60	*	DC motors nesoi, of an output of 746 W or more but not exceeding 750 W
8501.31.81	*	DC generators, other than photovoltaic generators, of an output not exceeding 750 W
8501.32.20	*	DC motors nesoi, of an output exceeding 750 W but not exceeding 14.92 kW
8501.32.55	*	DC motors nesoi, of an output exceeding 14.92 kW but not exceeding 75 kW

HTSUS	Articles of Civil Aircraft only	Description
8501.32.61	*	DC generators, other than photovoltaic generators, of an output exceeding 750 W but not exceeding 75 kW
8501.33.20	*	DC motors nesoi, of an output exceeding 75 kW but under 149.2 kW
8501.33.30	*	DC motors nesoi, of an output of 149.2 kW or more but not exceeding 150 kW
8501.33.61	*	DC generators, other than photovoltaic generators, of an output exceeding 75 kW but not exceeding 375 kW
8501.34.61	*	DC generators, other than photovoltaic generators, of an output exceeding 375 kW
8501.40.50	*	AC motors nesoi, single-phase, of an output exceeding 735 W but under 746 W
8501.40.60	*	AC motors nesoi, single-phase, of an output of 746 W or more
8501.51.50	*	AC motors nesoi, multi-phase, of an output exceeding 735 W but under 746 W
8501.51.60	*	AC motors nesoi, multi-phase, of an output of 746 W or more but not exceeding 750 W
8501.52.40	*	AC motors nesoi, multi-phase, of an output exceeding 750 W but not exceeding 14.92 kW
8501.52.80	*	AC motors nesoi, multi-phase, of an output exceeding 14.92 kW but not exceeding 75 kW
8501.53.40	*	AC motors nesoi, multi-phase, of an output exceeding 75 kW but under 149.2 kW
8501.53.60	*	AC motors nesoi, multi-phase, of an output of 149.2 kW or more but not exceeding 150 kW
8501.61.01	*	AC generators (alternators), other than photovoltaic generators, of an output not exceeding 75 kVA
8501.62.01	*	AC generators (alternators), other than photovoltaic generators, of an output exceeding 75 kVA but not exceeding 375 kVA
8501.63.01	*	AC generators (alternators), other than photovoltaic generators, of an output exceeding 375 kVA but not exceeding 750 kVA
8501.71.00	*	Photovoltaic DC generators, of an output not exceeding 50 W
8501.72.10	*	Photovoltaic DC generators, of an output exceeding 50 W but not exceeding 750 W
8501.72.20	*	Photovoltaic DC generators, of an output exceeding 750 W but not exceeding 75 kW
8501.72.30	*	Photovoltaic DC generators, of an output exceeding 75 kW but not exceeding 375 kW
8501.72.90	*	Photovoltaic DC generators, of an output exceeding 375 kW
8501.80.10	*	Photovoltaic AC generators, of an output not exceeding 75 kVA
8501.80.20	*	Photovoltaic AC generators, of an output exceeding 75 kVA but not exceeding 375 kVA
8501.80.30	*	Photovoltaic AC generators, of an output exceeding 375 kVA but not exceeding 750 kVA
8502.11.00	*	Electric generating sets with compression-ignition internal combustion piston engines, of an output not exceeding 75 kVA
8502.12.00	*	Electric generating sets with compression-ignition internal combustion piston engines, of an output exceeding 75 kVA but not exceeding 375 kVA
8502.13.00	*	Electric generating sets with compression-ignition internal combustion piston engines, of an output exceeding 375 kVA
8502.20.00	*	Electric generating sets with spark-ignition internal combustion piston engines
8502.31.00	*	Wind-powered electric generating sets
8502.39.00	*	Electric generating sets, nesoi
8502.40.00	*	Electric rotary converters
8504.10.00	*	Ballasts for discharge lamps or tubes
8504.31.20	*	Unrated electrical transformers other than liquid dielectric, having a power handling capacity not exceeding 1 kVA
8504.31.40	*	Electrical transformers other than liquid dielectric, having a power handling capacity less than 1 kVA, other than unrated
8504.31.60	*	Electrical transformers other than liquid dielectric, having a power handling capacity of l kVA, other than unrated

HTSUS	Articles of Civil Aircraft only	Description
8504.32.00	*	Electrical transformers other than liquid dielectric, having a power handling capacity exceeding 1 kVA but not exceeding 16 kVA
8504.33.00	*	Electrical transformers other than liquid dielectric, having a power handling capacity exceeding 16 kVA but not exceeding 500 kVA
8504.40.40	*	Electrical speed drive controllers for electric motors (static converters)
8504.40.60	*	Power supplies suitable for physical incorporation into automatic data processing machines or units thereof of heading 8471
8504.40.70	*	Power supplies for automatic data processing machines or units thereof of heading 8471, nesoi
8504.40.85	*	Static converters (for example, rectifiers) for telecommunication apparatus
8504.40.95	*	Static converters (for example, rectifiers), nesoi
8504.50.40	*	Other inductors for power supplies for automatic data processing machines or units of heading 8471 or for telecommunication apparatus
8504.50.80	*	Other inductors, nesoi
8507.10.00	*	Lead-acid storage batteries, of a kind used for starting piston engines
8507.20.80	*	Lead-acid storage batteries, other than of a kind used for starting piston engines or as the primary source of power for electric vehicles
8507.30.80	*	Nickel-cadmium storage batteries, other than of a kind used as the primary source of power for electric vehicles
8507.50.00	*	Nickel-metal hydride batteries
8507.60.00	*	Lithium-ion batteries
8507.80.82	*	Other storage batteries nesoi, other than of a kind used as the primary source of power for electric vehicles
8507.90.40	*	Parts of lead-acid storage batteries, including separators therefor
8507.90.80	*	Parts of storage batteries, including separators therefor, other than parts of lead-acid storage batteries
8511.10.00	*	Spark plugs
8511.20.00	*	Ignition magnetos, magneto-dynamos and magnetic flywheels
8511.30.00	*	Distributors and ignition coils
8511.40.00	*	Starter motors and dual purpose starter-generators
8511.50.00	*	Generators nesoi, of a kind used in conjunction with spark-ignition or compression-ignition internal combustion engines
8511.80.20	*	Voltage and voltage-current regulators with cut-out relays designed for use on 6, 12 or 24 V systems
8511.80.40	*	Voltage and voltage-current regulators with cut-out relays other than those designed for use on 6, 12 or 24 V systems
8511.80.60	*	Electrical ignition or starting equipment of a kind used for spark-ignition internal combustion or compression-ignition engines, nesoi
8514.20.40	*	Industrial or laboratory microwave ovens for making hot drinks or for cooking or heating food
8516.80.40	*	Electric heating resistors assembled only with simple insulated former and electrical connections, used for anti-icing or de-icing
8516.80.80	*	Electric heating resistors, nesoi
8517.13.00	*	Smartphones for cellular networks or for other wireless networks
8517.14.00	*	Other telephones for cellular networks or for other wireless networks, other than smartphones
8517.61.00	*	Base stations
8517.62.00	*	Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus

HTSUS	Articles of Civil Aircraft only	Description
8517.69.00	*	Other apparatus for transmission or reception of voice, images or other data, nesoi, but not apparatus of headings 8443, 8525, 8527 or 8528
8517.71.00	*	Aerials and aerial reflectors of all kinds; parts suitable for use therewith
8518.10.40	*	Microphones having a frequency range of 300Hz to 3.4kHz with a diameter not over 10 mm and a height not over 3 mm, for telecommunication
8518.10.80	*	Microphones and stands therefor, nesoi
8518.21.00	*	Single loudspeakers mounted in their enclosures
8518.22.00	*	Multiple loudspeakers mounted in the same enclosure
8518.29.40	*	Loudspeakers not mounted in their enclosures, with a frequency range of 300Hz to 3.4kHz, with a diameter not over 50 mm, for telecommunication
8518.29.80	*	Loudspeakers not mounted in their enclosures, nesoi
8518.30.10	*	Line telephone handsets
8518.30.20	*	Headphones, earphones and combined microphone/speaker sets, other than telephone handsets
8518.40.10	*	Audio-frequency electric amplifiers for use as repeaters in line telephony
8518.40.20	*	Audio-frequency electric amplifiers, other than for use as repeaters in line telephony
8518.50.00	*	Electric sound amplifier sets
8519.81.10	*	Transcribing machines
8519.81.20	*	Cassette players (non-recording) designed exclusively for motor-vehicle installation
8519.81.25	*	Cassette players (non-recording), nesoi
8519.81.30	*	Sound reproducing apparatus nesoi, not incorporating a sound recording device
8519.81.41	*	Other sound recording and reproducing apparatus using magnetic tape, optical media, or semiconductor media
8519.89.10	*	Record players, other than coin- or token-operated, without loudspeaker
8519.89.20	*	Record players, other than coin- or token-operated, with loudspeakers
8519.89.30	*	Sound recording and reproducing apparatus, nesoi
8521.10.30	*	Color, cartridge or cassette magnetic tape-type video players
8521.10.60	*	Color, cartridge or cassette magnetic tape-type video recording and reproducing apparatus, nesoi
8521.10.90	*	Magnetic tape-type video recording or reproducing apparatus, other than color, cartridge or cassette type
8522.90.25	*	Printed circuit assemblies of articles of subheading 8519.81.41, consisting of 2 or more pieces fastened or joined together
8522.90.36	*	Other assemblies and subassemblies of articles of 8519.81.41, consisting of 2 or more pieces fastened together, other than printed circuit assemblies
8522.90.45	*	Other parts of telephone answering machines, printed circuit assemblies
8522.90.58	*	Other parts of telephone answering machines, other than printed circuit assemblies
8522.90.65	*	Parts and accessories of apparatus of headings 8519 to 8521, nesoi, printed circuit assemblies
8522.90.80	*	Parts and accessories of apparatus of headings 8519 to 8521, nesoi, other than printed circuit assemblies
8526.10.00	*	Radar apparatus
8526.91.00	*	Radio navigational aid apparatus, other than radar
8526.92.10	*	Radio remote control apparatus for video game consoles
8526.92.50	*	Radio remote control apparatus other than for video game consoles
8528.42.00	*	Cathode-ray tube monitors capable of directly connecting to and designed for use with an automatic data processing machine of heading 8471

HTSUS	Articles of Civil Aircraft only	Description
8528.52.00	*	Other monitors capable of directly connecting to and designed for use with an automatic data processing machine of heading 8471
8528.62.00	*	Projectors capable of directly connecting to and designed for use with an automatic data processing machine of heading 8471
8529.10.21	*	Television antennas and antenna reflectors, and parts suitable for use therewith
8529.10.40	*	Radar, radio navigational aid and radio remote control antennas and antenna reflectors, and parts suitable for use therewith
8529.10.91	*	Other antennas and antenna reflectors of all kinds, and parts suitable for use therewith
8529.90.04	*	Tuners (printed circuit assemblies)
8529.90.05	*	Printed circuit boards and ceramic substrates and subassemblies thereof, for color TV, with components listed in additional U.S. note 4 to this chapter
8529.90.06	*	Printed circuit boards and ceramic substrates and subassemblies thereof, for color TV, not with components listed in additional U.S. note 4 to this chapter
8529.90.09	*	Printed circuit assemblies for television cameras
8529.90.13	*	Printed circuit assemblies for television apparatus, nesoi
8529.90.16	*	Printed circuit assemblies which are subassemblies of radar, radio nav. aid or remote control apparatus, of 2 or more parts joined together
8529.90.19	*	Printed circuit assemblies, nesoi, for radar, radio navigational aid or radio remote control apparatus
8529.90.21	*	Other printed circuit assemblies suitable for use solely or principally with the apparatus of headings 8524 to 8528, nesoi
8529.90.24	*	Transceiver assemblies for the apparatus of subheading 8526.10, other than printed circuit assemblies
8529.90.29	*	Tuners for television apparatus, other than printed circuit assemblies
8529.90.33	*	Subassemblies with 2 or more printed circuit boards or ceramic substrates, for color TV, entered with components in additional U.S. note 4 to this chapter
8529.90.36	*	Subassemblies with 2 or more printed circuit boards or ceramic substrates, for color TV, other
8529.90.39	*	Parts of television receivers specified in U.S. note 9 to chapter 85, other than printed circuit assemblies, nesoi
8529.90.43	*	Printed circuit boards and ceramic substrates and subassemblies thereof for color TV, with components listed in additional U.S. note 4 to chapter 85
8529.90.46	*	Combinations of printed circuit boards and ceramic substrates and subassemblies thereof for color TV, with components listed in additional U.S. note 4 to chapter 85
8529.90.49	*	Combinations of parts of television receivers specified in U.S. note 10 to chapter 85, other than printed circuit assemblies, nesoi
8529.90.55	*	Flat panel screen assemblies for TV reception apparatus, color video monitors and video projectors
8529.90.63	*	Parts of printed circuit assemblies (including face plates and lock latches) for television cameras
8529.90.68	*	Parts of printed circuit assemblies (including face plates and lock latches) for television apparatus other than television cameras
8529.90.73	*	Parts of printed circuit assemblies (including face plates and lock latches) for radar, radio navigational aid or radio remote control apparatus
8529.90.77	*	Parts of printed circuit assemblies (including face plates and lock latches) for other apparatus of headings 8524 to 8528, nesoi
8529.90.78	*	Mounted lenses for use in closed circuit television cameras, separately imported, with or without attached electrical connectors or motors
8529.90.81	*	Other parts of television cameras, nesoi
8529.90.83	*	Other parts of television apparatus (other than television cameras), nesoi

HTSUS	Articles of Civil Aircraft only	Description
8529.90.87	*	Parts suitable for use solely or principally with the apparatus of 8524 and 8527 (except television apparatus or cellular phones), nesoi
8529.90.88	*	Subassemblies with 2 or more printed circuit boards or ceramic substrates, except tuners or convergence assemblies, for color TV, entered with components in additional U.S. note 4 to this chapter
8529.90.89	*	Subassemblies with 2 or more printed circuit boards or ceramic substrates, except tuners or convergence assemblies, for color TV, other
8529.90.93	*	Parts of television apparatus, nesoi
8529.90.95	*	Assemblies and subassemblies of radar, radio navigational aid or remote control apparatus, of 2 or more parts joined together, nesoi
8529.90.97	*	Parts suitable for use solely or principally in radar, radio navigational aid or radio remote control apparatus, nesoi
8529.90.98	*	Parts suitable for use solely or principally with the apparatus of headings 8524 to 8528, nesoi
8531.10.00	*	Electric burglar or fire alarms and similar apparatus
8531.20.00	*	Indicator panels incorporating liquid crystal devices (LCD's) or light emitting diodes (LED's)
8531.80.15	*	Doorbells, chimes, buzzers, and similar apparatus
8531.80.90	*	Electric sound or visual signaling apparatus, nesoi
8536.70.00	*	Connectors for optical fibers, optical fiber bundles or cables
8539.10.00	*	Sealed beam lamp units
8539.51.00	*	Light-emitting diode (LED) modules
8543.70.42	*	Flight data recorders
8543.70.45	*	Other electric synchros and transducers; defrosters and demisters with electric resistors for aircraft
8543.70.60	*	Electrical machines and apparatus nesoi, designed for connection to telegraphic or telephonic apparatus, instruments or networks
8543.70.80	*	Microwave amplifiers
8543.70.91	*	Digital signal processing apparatus capable of connecting to a wired or wireless network for sound mixing
8543.70.95	*	Touch screens without display capabilities for incorporation in apparatus having a display
8543.90.12	*	Parts of physical vapor deposition apparatus of subheading 8543.70
8543.90.15	*	Assemblies and subassemblies for flight data recorders, consisting of 2 or more parts pieces fastened together, printed circuit assemblies
8543.90.35	*	Assemblies and subassemblies for flight data recorders, consisting of 2 or more parts pieces fastened together, not printed circuit assys.
8543.90.65	*	Printed circuit assemblies of flat panel displays other than for reception apparatus for television of heading 8528
8543.90.68	*	Printed circuit assemblies of electrical machines and apparatus, having individual functions, nesoi
8543.90.85	*	Parts, nesoi, of flat panel displays other than for reception apparatus for television of heading 8528
8543.90.88	*	Parts (other than printed circuit assemblies) of electrical machines and apparatus, having individual functions, nesoi
8544.30.00	*	Insulated ignition wiring sets and other wiring sets of a kind used in vehicles, aircraft or ships
8801.00.00	*	Balloons, dirigibles and non-powered aircraft, gliders and hang gliders
8802.11.01	*	Helicopters (except unmanned aircraft of heading 8806), with an unladen weight not over 2,000 kg
8802.12.01	*	Helicopters (except unmanned aircraft of heading 8806), with an unladen weight over 2,000 kg

HTSUS	Articles of Civil Aircraft only	Description
8802.20.01	*	Airplanes and other powered aircraft (except unmanned aircraft of heading 8806), nesoi, with an unladen weight not over 2,000 kg
8802.30.01	*	Airplanes and other powered aircraft (except unmanned aircraft of heading 8806), nesoi, with an unladen weight over 2,000 kg but not over 15,000 kg
8802.40.01	*	Airplanes and other powered aircraft (except unmanned aircraft of heading 8806), nesoi, with an unladen weight over 15,000 kg
8805.29.00	*	Ground flying trainers and parts thereof, other than air combat simulators
8806.10.00	*	Unmanned aircraft designed for the carriage of passengers
8806.21.00	*	Unmanned aircraft, not for the carriage of passengers, for remote-controlled flight only, max take-off weight not more than 250g
8806.22.00	*	Unmanned aircraft, not for the carriage of passengers, for remote-controlled flight only, max take-off weight more than 250g but not more than 7kg
8806.23.00	*	Unmanned aircraft, not for the carriage of passengers, for remote-controlled flight only, max take-off weight more than 7kg but not more than 25kg
8806.24.00	*	Unmanned aircraft, not for the carriage of passengers, for remote-controlled flight only, max take-off weight more than 25kg but not more than 150 kg
8806.29.00	*	Unmanned aircraft, not for the carriage of passengers, for remote-controlled flight only, max take-off weight more than 150 kg
8806.91.00	*	Unmanned aircraft, not for the carriage of passengers, not for remote-controlled flight only, nesoi, max take-off weight not more than 250g
8806.92.00	*	Unmanned aircraft, not for the carriage of passengers, not for remote-controlled flight only, nesoi, max take-off weight more than 250g but not more than 7kg
8806.93.00	*	Unmanned aircraft, not for the carriage of passengers, not for remote-controlled flight only, nesoi, max take-off weight more than 7kg but not more than 25kg
8806.94.00	*	Unmanned aircraft, not for the carriage of passengers, not for remote-controlled flight only, nesoi, max take-off weight more than 25kg but not more than 150 kg
8806.99.00	*	Unmanned aircraft, not for the carriage of passengers, not for remote-controlled flight only, nesoi, max take-off weight more than 150 kg
8807.10.00	*	Parts of aircraft of headings 8801, 8802, 8806, propellers and rotors and parts thereof
8807.20.00	*	Parts of aircraft of headings 8801, 8802, 8806, undercarriages and parts thereof
8807.30.00	*	Parts of aircraft of headings 8801, 8802, 8806, for airplanes, helicopters, unmanned aircraft, other than propellers or rotors or undercarriages, nesoi
8807.90.90	*	Parts of aircraft of headings 8801, 8802, 8806, not for airplanes, helicopters, unmanned aircraft, nesoi
9001.90.40	*	Lenses nesoi, unmounted
9001.90.50	*	Prisms, unmounted
9001.90.60	*	Mirrors, unmounted
9001.90.80	*	Half-tone screens designed for use in engraving or photographic processes, unmounted
9001.90.90	*	Optical elements nesoi, unmounted
9002.90.20	*	Prisms, mounted, for optical uses
9002.90.40	*	Mirrors, mounted, for optical uses
9002.90.70	*	Half-tone screens, mounted, designed for use in engraving or photographic processes
9002.90.85	*	Mounted lenses suitable for use in, and entered separately from, closed-circuit television cameras, with or without attached electrical connectors or motors
9002.90.95	*	Mounted optical elements, nesoi; parts and accessories of mounted optical elements, nesoi
9014.10.10	*	Optical direction finding compasses
9014.10.60	*	Gyroscopic directing finding compasses, other than electrical
9014.10.70	*	Electrical direction finding compasses

HTSUS	Articles of Civil Aircraft only	Description
9014.10.90	*	Direction finding compasses, other than optical instruments, gyroscopic compasses or electrical
9014.20.20	*	Optical instruments and appliances (other than compasses) for aeronautical or space navigation
9014.20.40	*	Automatic pilots for aeronautical or space navigation
9014.20.60	*	Electrical instruments and appliances (other than compasses) for aeronautical or space navigation
9014.20.80	*	Nonelectrical instruments and appliances (other than compasses) for aeronautical or space navigation
9014.90.10	*	Parts and accessories of automatic pilots for aeronautical or space navigation of subheading 9014.20.40
9014.90.20	*	Parts and accessories of nonelectrical instruments and appliances for aeronautical or space navigation of subheading 9014.20.80
9014.90.40	*	Parts and accessories of nonelectrical navigational instruments and appliances nesoi of subheading 9014.80.50
9014.90.60	*	Parts and accessories of navigational instruments and appliances, nesoi
9020.00.40	*	Underwater breathing devices designed as a complete unit to be carried on the person and not requiring attendants, parts and accessories thereof
9020.00.60	*	Breathing appliances, nesoi, and gas masks, except protective masks having neither mechanical parts or replaceable filters, parts, accessories thereof
9025.11.20	*	Clinical thermometers, liquid-filled, for direct reading, not combined with other instruments
9025.11.40	*	Liquid-filled thermometers, for direct reading, not combined with other instruments, other than clinical thermometers
9025.19.40	*	Pyrometers, not combined with other instruments
9025.19.80	*	Thermometers, for direct reading, not combined with other instruments, other than liquid-filled thermometers
9025.80.10	*	Electrical hydrometers and similar floating instruments, thermometers, pyrometers, barometers, hygrometers, psychometers, and any combination
9025.80.15	*	Nonelectrical barometers, not combined with other instruments
9025.80.20	*	Hydrometers and similar floating instruments, whether or not incorporating a thermometer, non-recording, other than electrical
9025.80.35	*	Hygrometers and psychrometers, non-electrical, non-recording
9025.80.40	*	Thermographs, barographs, hygrographs and other recording instruments, other than electrical
9025.80.50	*	Combinations of thermometers, barometers and similar temperature and atmosphere measuring and recording instruments, nonelectrical
9025.90.06	*	Other parts and accessories of hydrometers and like floating instruments, thermometers, pyrometers, barometers, hygrometers, psychrometers and combinations
9026.10.20	*	Electrical instruments and apparatus for measuring or checking the flow or level of liquids
9026.10.40	*	Flow meters, other than electrical, for measuring or checking the flow of liquids
9026.10.60	*	Instruments and apparatus for measuring or checking the level of liquids, other than flow meters, non-electrical
9026.20.40	*	Electrical instruments and apparatus for measuring or checking the pressure of liquids or gases
9026.20.80	*	Instruments and apparatus, other than electrical, for measuring or checking the pressure of liquids or gases
9026.80.20	*	Electrical instruments and apparatus for measuring or checking variables of liquids or gases, nesoi
9026.80.40	*	Nonelectrical heat meters incorporating liquid supply meters, and anemometers

HTSUS	Articles of Civil Aircraft only	Description
9026.80.60	*	Nonelectrical instruments and apparatus for measuring or checking variables of liquids or gases, nesoi
9026.90.20	*	Parts and accessories of electrical instruments and apparatus for measuring or checking variables of liquids or gases
9026.90.40	*	Parts and accessories of nonelectrical flow meters, heat meters incorporating liquid supply meters and anemometers
9026.90.60	*	Parts and accessories of nonelectrical instruments and apparatus for measuring or checking variables of liquids or gases, nesoi
9029.10.80	*	Revolution counters, production counters, odometers, pedometers and the like, other than taximeters
9029.20.40	*	Speedometers and tachometers, other than bicycle speedometers
9029.90.80	*	Parts and accessories of revolution counters, production counters, odometers, pedometers and the like, of speedometers nesoi and tachometers
9030.10.00	*	Instruments and apparatus for measuring or detecting ionizing radiations
9030.20.05	*	Oscilloscopes and oscillographs, specially designed for telecommunications
9030.20.10	*	Oscilloscopes and oscillographs, NESOI
9030.31.00	*	Multimeters for measuring or checking electrical voltage, current, resistance or power, without a recording device
9030.32.00	*	Multimeters, with a recording device
9030.33.34	*	Resistance measuring instruments
9030.33.38	*	Other instruments and apparatus, nesoi, for measuring or checking electrical voltage, current, resistance or power, without a recording device
9030.39.01	*	Instruments and apparatus, nesoi, for measuring or checking electrical voltage, current, resistance or power, with a recording device
9030.40.00	*	Instruments and apparatus specially designed for telecommunications
9030.84.00	*	Instruments and apparatus for measuring, checking or detecting electrical quantities or ionizing radiations, nesoi, with a recording device
9030.89.01	*	Instruments and apparatus for measuring, checking or detecting electrical quantities or ionizing radiations, nesoi, without a recording device
9030.90.25	*	Printed circuit assemblies for instruments and apparatus for measuring or detecting ionizing radiation
9030.90.46	*	Parts and accessories for instruments and apparatus for measuring or detecting ionizing radiation, nesoi
9030.90.66	*	Printed circuit assemblies for subheadings and apparatus of subheading 9030.40 and 9030.82
9030.90.68	*	Printed circuit assemblies, nesoi
9030.90.84	*	Parts and accessories for instruments and apparatus for measuring or checking semiconductor wafers or devices, nesoi
9030.90.89	*	Parts and accessories for articles of subheadings 9030.20 to 9030.40, and 9030.84, nesoi
9031.80.40	*	Electron beam microscopes fitted with equipment specifically designed for the handling and transport of semiconductor devices or reticles
9031.80.80	*	Measuring and checking instruments, appliances and machines, nesoi
9031.90.21	*	Parts and accessories of profile projectors
9031.90.45	*	Bases and frames for the optical coordinate-measuring machines of subheading 9031.49.40
9031.90.54	*	Parts and accessories of measuring and checking optical instruments and appliances of subheading 9031.41 or 9031.49.70
9031.90.59	*	Parts and accessories of measuring and checking optical instruments and appliances, other than test benches or profile projectors, nesoi
9031.90.70	*	Parts and accessories of articles of subheading 9031.80.40
9031.90.91	*	Parts and accessories of measuring or checking instruments, appliances and machines, nesoi

HTSUS	Articles of Civil Aircraft only	Description
9032.10.00	*	Automatic thermostats
9032.20.00	*	Automatic manostats
9032.81.00	*	Hydraulic and pneumatic automatic regulating or controlling instruments and apparatus
9032.89.20	*	Automatic voltage and voltage-current regulators, designed for use in a 6, 12, or 24 V system
9032.89.40	*	Automatic voltage and voltage-current regulators, not designed for use in a 6, 12, or 24 V system
9032.89.60	*	Automatic regulating or controlling instruments and apparatus, nesoi
9032.90.21	*	Parts and accessories of automatic voltage and voltage-current regulators designed for use in a 6, 12, or 24 V system, nesoi
9032.90.41	*	Parts and accessories of automatic voltage and voltage-current regulators, not designed for use in a 6, 12, or 24 V system, nesoi
9032.90.61	*	Parts and accessories for automatic regulating or controlling instruments and apparatus, nesoi
9033.00.90	*	Other parts and accessories for machines, appliances, instruments or apparatus of chapter 90, nesoi
9104.00.05	*	Instrument panel clocks for vehicles, air/spacecraft, vessels, clock movement over 50 mm wide, opto-electronic display only, not over $10 each
9104.00.10	*	Instrument panel clocks for vehicles, air/spacecraft or vessels, clock movement over 50 mm wide, electric, not optoelectronic display, not over $10 each
9104.00.20	*	Instrument panel clocks for vehicles, air/spacecraft or vessels, with clock movement over 50 mm wide, valued not over $10 each, nonelectric
9104.00.25	*	Instrument panel clocks for vehicles, air/spacecraft or vessels, with clock movement over 50 mm wide, opto-electronic display only, over $10 each
9104.00.30	*	Instrument panel clocks for vehicles, air/spacecraft or vessels, with clock movement over 50 mm wide, electric, not optoelectronic display, over $10 each
9104.00.40	*	Instrument panel clocks for vehicles, air/spacecraft or vessels, with clock movement over 50 mm wide, valued over $10 each, non-electric
9104.00.45	*	Instrument panel clocks for vehicles, air/spacecraft or vessels, with watch or clock movement under 50 mm wide, opto-electronic display only
9104.00.50	*	Instrument panel clocks for vehicles, air/spacecraft or vessels, with watch or clock movement under 50 mm wide, electric, not opto-electronic display
9104.00.60	*	Instrument panel clocks for vehicles, air/spacecraft or vessels, with clock or watch movement under 50 mm wide, nonelectric
9109.10.50	*	Clock movements nesoi, complete and assembled, electrically operated, with opto-electronic display only
9109.10.60	*	Clock movements nesoi, complete and assembled, electrically operated, with display nesoi, measuring not over 50 mm in width or diameter
9109.90.20	*	Clock movements, complete and assembled, not electrically operated, measuring not over 50 mm in width or diameter
9401.10.40	*	Seats, of a kind used for aircraft, leather upholstered
9401.10.80	*	Seats, of a kind used for aircraft (other than leather upholstered)
9403.20.00	*	Furniture (other than seats) of metal nesoi, other than of a kind used in offices
9403.70.40	*	Furniture (other than seats and other than of heading 9402) of reinforced or laminated plastics nesoi
9403.70.80	*	Furniture (other than seats and other than of heading 9402) of plastics (other than reinforced or laminated) nesoi
9405.11.40	*	Chandeliers and other electric ceiling or wall lighting fittings, of brass, designed for use solely with LED sources
9405.11.60	*	Chandeliers and other electric ceiling or wall lighting fixtures, of base metal (other than brass), designed for use solely with LED sources

HTSUS	Articles of Civil Aircraft only	Description
9405.11.80	*	Chandeliers and other electric ceiling or wall lighting fixtures, not of base metal, designed for use solely with LED sources
9405.19.40	*	Chandeliers and other electric ceiling or wall lighting fittings, of brass, not designed for use solely with LED sources
9405.19.60	*	Chandeliers and other electric ceiling or wall lighting fixtures, of base metal (other than brass), not designed for use solely with LED sources
9405.19.80	*	Chandeliers and other electric ceiling or wall lighting fixtures, not of base metal, not designed for use solely with LED sources
9405.61.20	*	Illuminated signs, illuminated name plates and the like, of brass, designed for use solely with LED sources
9405.61.40	*	Illuminated signs, illuminated name plates and the like, of base metal (other than brass), designed for use solely with LED sources
9405.61.60	*	Illuminated signs, illuminated name plates and the like, not of base metal, designed for use solely with LED sources
9405.69.20	*	Illuminated signs, illuminated name plates and the like, of brass, not designed for use solely with LED sources
9405.69.40	*	Illuminated signs, illuminated name plates and the like, of base metal (other than brass), not designed for use solely with LED sources
9405.69.60	*	Illuminated signs, illuminated name plates and the like, not of base metal, not designed for use solely with LED sources
9405.92.00	*	Parts of lamps, lighting fixtures, illuminated signs and the like, of plastics
9405.99.20	*	Parts of lamps, lighting fixtures, illuminated signs and the like, of brass
9405.99.40	*	Parts of lamps, lighting fixtures, illuminated signs and the like, not of glass, plastics or brass
9620.00.50	*	Monopods, bipods, tripods and similar articles of plastics, nesoi
9620.00.60	*	Monopods, bipods, tripods and similar articles of graphite and other carbon, nesoi
9802.00.40	*	Articles returned to the United States after having been exported for repairs or alterations made pursuant to a warranty
9802.00.50	*	Articles returned to the United States after having been exported for repairs or alterations, other
9802.00.60	*	Any article of metal (as defined in U.S. note 3(e) to this subchapter) manufactured in the United States or subjected to a process of manufacture in the United States, if exported for further processing, and if the exported article as processed outside the United States, or the article which results from the processing outside the United States, is returned to the United States for further processing
9802.00.80	*	Articles, except goods of heading 9802.00.91 and goods imported under provisions of subchapter XIX of this chapter and goods imported under provisions of subchapter XX, assembled abroad in whole or in part of fabricated components, the product of the United States, which (a) were exported in condition ready for assembly without further fabrication, (b) have not lost their physical identity in such articles by change in form, shape or otherwise, and (c) have not been advanced in value or improved in condition abroad except by being assembled and except by operations incidental to the assembly process such as cleaning, lubricating and painting
9818.00.05	*	Spare parts necessarily installed before first entry into the United States, upon first entry into the United States of each such spare part purchased in, or imported from, a foreign country
9818.00.07	*	Other, upon first arrival in any port of the United States of any vessel described in U.S. note 1 to this subchapter

ANNEX II

1. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time 7 days after the date of the executive order, excluding the day the executive order is signed, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTSUS) is modified by inserting the following new headings in numerical sequence, with the material in the new heading inserted in the columns of the HTSUS labeled "Heading/Subheading", "Article Description", "Rates of Duty 1-General", "Rates of Duty 1-Special" and "Rates of Duty 2", respectively:

Heading/ Subheading	Article Description	Rates of Duty		
		1		2
		General	Special	
"9903.01.77	Except for products described in headings 9903.01.78-9903.01.83, articles the product of Brazil that are entered for consumption, or withdrawn from warehouse for consumption, after 12:01 a.m. eastern daylight time 7 days after the date of the executive order, excluding the day the executive order is signed, as provided for in subdivision (x) of U.S. note 2 to this subchapter	The duty provided in the applicable subheading + 40%	The duty provided in the applicable subheading + 40%	The duty provided in the applicable subheading
9903.01.78	Articles the product of Brazil that (1) were loaded onto a vessel at the port of loading and in transit on the final mode of transit prior to entry into the United States, before 12:01 a.m. eastern daylight time 7 days after the date of the executive order, excluding the day the executive order is signed; and (2) are entered for consumption, or withdrawn from warehouse for consumption before 12:01 a.m. eastern daylight time on October 5, 2025	The duty provided in the applicable subheading	The duty provided in the applicable subheading	The duty provided in the applicable subheading
9903.01.79	Articles the product of Brazil that are donations, by persons subject to the jurisdiction of the United States, such as food, clothing, and medicine, intended to be used to relieve human suffering, as provided for in	The duty provided in the applicable subheading	The duty provided in the applicable subheading	The duty provided in the applicable subheading

	subdivision (x)(ii) of U.S. note 2 to this subchapter			
9903.01.80	Articles the product of Brazil that are informational materials, including but not limited to, publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, compact disks, CD ROMs, artworks, and news wire feeds	The duty provided in the applicable subheading	The duty provided in the applicable subheading	The duty provided in the applicable subheading
9903.01.81	Articles the product of Brazil, classified in the subheadings enumerated in subdivision (x)(iii) of U.S. note 2 to this subchapter	The duty provided in the applicable subheading	The duty provided in the applicable subheading	The duty provided in the applicable subheading
9903.01.82	Articles of civil aircraft (all aircraft other than military aircraft); their engines, parts, and components; their other parts, components, and subassemblies; and ground flight simulators and their parts and components of Brazil, classified in the subheadings enumerated in subdivision (x)(iv) of U.S. note 2 to this subchapter	The duty provided in the applicable subheading	The duty provided in the applicable subheading	The duty provided in the applicable subheading
9903.01.83	Articles of iron or steel, derivative articles of iron or steel, articles of aluminum, derivative articles of aluminum, passenger vehicles (sedans, sport utility vehicles, crossover utility vehicles, minivans, and cargo vans) and light trucks and parts of passenger vehicles (sedans, sport utility vehicles, crossover utility vehicles, minivans, and cargo vans) and light trucks, and semi-finished copper and intensive copper derivative products, of Brazil, as provided in subdivision (x)(v) through (x)(xi) of note 2 to this subchapter	The duty provided in the applicable subheading	The duty provided in the applicable subheading	The duty provided in the applicable subheading”

2. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time 7 days after the date of the executive order, excluding the day the executive order is signed, subchapter III of chapter

99 of the HTSUS is modified by inserting the following new subdivision (x) to U.S. note 2 to subchapter III of chapter 99 of the HTSUS in numerical sequence:

"(x) (i) Except as provided in headings 9903.01.78-9903.01.83, and in subdivisions (x)(ii) through (x)(xi) of this note, and other than products for personal use included in accompanied baggage of persons arriving in the United States, heading 9903.01.77 imposes an additional *ad valorem* rate of duty on imports of all products of Brazil. Notwithstanding U.S. note 1 to this subchapter, all products that are subject to the additional *ad valorem* rate of duty imposed by this heading shall also be subject to the general rates of duty imposed under subheadings in chapters 1 to 97 of the tariff schedule. Except as provided in subdivisions (x)(ii) through (x)(xi) of this note, all products that are subject to the additional *ad valorem* rate of duty imposed by this heading shall also be subject to any additional duty provided for in this subchapter or subchapter IV of chapter 99. Products that are eligible for special tariff treatment under general note 3(c)(i) to the tariff schedule, with the exception of products covered by the World Trade Organization Agreement on Trade in Civil Aircraft, or that are eligible for temporary duty exemptions or reductions under subchapter II to chapter 99, shall be subject to the additional *ad valorem* rate of duty imposed by this heading.

The additional duty imposed by this heading shall not apply to goods for which entry is properly claimed under a provision of chapter 98 of the tariff schedule pursuant to applicable regulations of U.S. Customs and Border Protection ("CBP"), and whenever CBP agrees that entry under such a provision is appropriate, except for goods entered under heading 9802.00.80; and subheadings 9802.00.40, 9802.00.50, and 9802.00.60. For subheadings 9802.00.40, 9802.00.50, and 9802.00.60, the additional duties apply to the value of repairs, alterations, or processing performed, as described in the applicable subheading. For heading 9802.00.80, the additional duties apply to the value of the article assembled abroad, less the cost or value of such products of the United States, as described.

Products that are provided for in heading 9903.01.77 shall continue to be subject to antidumping, countervailing, or other duties, taxes, fees, exactions and charges that apply to such products, as well as to the additional *ad valorem* rate of duty imposed by this heading.

(ii) Heading 9903.01.79 covers only products that are donations, by persons subject to the jurisdiction of the United States, of articles, such as food, clothing, and medicine, intended to be used to relieve human suffering, except to the extent that the President determines that such donations (A) would seriously impair his ability to deal with any national emergency declared under section 1701 of title 19 of the U.S. Code, (B) are in response to coercion against the proposed recipient or donor, or (C) would endanger Armed Forces of the United States which are engaged in hostilities or are in a situation where imminent involvement in hostilities is clearly indicated by the circumstances.

(iii) As provided in heading 9903.01.81, the additional duties imposed by heading 9903.01.77 shall not apply to products classified in the following provisions of the HTSUS:

0801.21.00	2707.99.20	2710.20.05	2713.12.00	4704.11.00
2008.30.35	2707.99.40	2710.20.10	2713.20.00	4704.19.00

2009.11.00	2707.99.51	2710.20.15	2713.90.00	4704.21.00
2009.12.25	2707.99.55	2710.20.25	2714.10.00	4704.29.00
2009.12.45	2707.99.59	2710.91.00	2714.90.00	4705.00.00
2525.10.00	2707.99.90	2710.99.05	2715.00.00	4706.10.00
2601.11.00	2708.10.00	2710.99.10	2716.00.00	4706.20.00
2601.12.00	2708.20.00	2710.99.16	2804.69.10	4706.30.00
2609.00.00	2709.00.10	2710.99.21	2804.69.50	4706.91.00
2701.11.00	2709.00.20	2710.99.31	2815.20.00	4706.92.01
2701.12.00	2710.12.15	2710.99.32	2818.20.00	4706.93.01
2701.19.00	2710.12.18	2710.99.39	2825.90.20	5607.21.00
2701.20.00	2710.12.25	2710.99.45	2827.39.25	6802.99.00
2702.10.00	2710.12.45	2710.99.90	2903.19.05	7106.91.10
2702.20.00	2710.12.90	2711.11.00	2903.19.10	7108.12.10
2703.00.00	2710.19.06	2711.12.00	2903.19.30	7201.10.00
2704.00.00	2710.19.11	2711.13.00	2903.19.60	7201.20.00
2705.00.00	2710.19.16	2711.14.00	3105.10.00	7201.50.30
2706.00.00	2710.19.24	2711.19.00	3105.20.00	7201.50.60
2707.10.00	2710.19.25	2711.21.00	3105.60.00	7202.60.00
2707.20.00	2710.19.26	2711.29.00	4407.29.02	7202.93.40
2707.30.00	2710.19.30	2712.10.00	4702.00.00	7202.93.80
2707.40.00	2710.19.35	2712.20.00	4703.11.00	7203.10.00
2707.50.00	2710.19.40	2712.90.10	4703.19.00	7203.90.00
2707.91.00	2710.19.45	2712.90.20	4703.21.00	8002.00.00
2707.99.10	2710.19.90	2713.11.00	4703.29.00	

(iv) As provided in heading 9903.01.82, the additional duties imposed by heading 9903.01.77 shall not apply to articles of civil aircraft (all aircraft other than military aircraft); their engines, parts, and components; their other parts, components, and subassemblies; and ground flight simulators and their parts and components of Brazil, that otherwise meet the criteria of general note 6 to the tariff schedule, and classifiable in the following provisions of the HTSUS, but regardless of whether a product is entered under a provision for which the rate of duty "Free (C)" appears in the "Special" subcolumn:

3917.21.00	8411.21.80	8479.90.65	8518.50.00	9014.10.60
3917.22.00	8411.22.40	8479.90.75	8519.81.10	9014.10.70
3917.23.00	8411.22.80	8479.90.85	8519.81.20	9014.10.90
3917.29.00	8411.81.40	8479.90.95	8519.81.25	9014.20.20
3917.31.00	8411.82.40	8483.10.10	8519.81.30	9014.20.40
3917.33.00	8411.91.10	8483.10.30	8519.81.41	9014.20.60
3917.39.00	8411.91.90	8483.10.50	8519.89.10	9014.20.80
3917.40.00	8411.99.10	8483.30.40	8519.89.20	9014.90.10
3926.90.45	8411.99.90	8483.30.80	8519.89.30	9014.90.20

3926.90.94	8412.10.00	8483.40.10	8521.10.30	9014.90.40
3926.90.96	8412.21.00	8483.40.30	8521.10.60	9014.90.60
3926.90.99	8412.29.40	8483.40.50	8521.10.90	9020.00.40
4008.29.20	8412.29.80	8483.40.70	8522.90.25	9020.00.60
4009.12.00	8412.31.00	8483.40.80	8522.90.36	9025.11.20
4009.22.00	8412.39.00	8483.40.90	8522.90.45	9025.11.40
4009.32.00	8412.80.10	8483.50.40	8522.90.58	9025.19.40
4009.42.00	8412.80.90	8483.50.60	8522.90.65	9025.19.80
4011.30.00	8412.90.90	8483.50.90	8522.90.80	9025.80.10
4012.13.00	8413.19.00	8483.60.40	8526.10.00	9025.80.15
4012.20.10	8413.20.00	8483.60.80	8526.91.00	9025.80.20
4016.10.00	8413.30.10	8483.90.10	8526.92.10	9025.80.35
4016.93.50	8413.30.90	8483.90.20	8526.92.50	9025.80.40
4016.99.35	8413.50.00	8483.90.30	8528.42.00	9025.80.50
4016.99.60	8413.60.00	8483.90.50	8528.52.00	9025.90.06
4017.00.00	8413.70.10	8483.90.80	8528.62.00	9026.10.20
4504.90.00	8413.70.20	8484.10.00	8529.10.21	9026.10.40
4823.90.10	8413.81.00	8484.90.00	8529.10.40	9026.10.60
4823.90.20	8413.91.10	8501.20.50	8529.10.91	9026.20.40
4823.90.31	8413.91.20	8501.20.60	8529.90.04	9026.20.80
4823.90.40	8413.91.90	8501.31.50	8529.90.05	9026.80.20
4823.90.50	8414.10.00	8501.31.60	8529.90.06	9026.80.40
4823.90.60	8414.20.00	8501.31.81	8529.90.09	9026.80.60
4823.90.67	8414.30.40	8501.32.20	8529.90.13	9026.90.20
4823.90.70	8414.30.80	8501.32.55	8529.90.16	9026.90.40
4823.90.80	8414.51.30	8501.32.61	8529.90.19	9026.90.60
4823.90.86	8414.51.90	8501.33.20	8529.90.21	9029.10.80
6812.80.90	8414.59.30	8501.33.30	8529.90.24	9029.20.40
6812.99.10	8414.59.65	8501.33.61	8529.90.29	9029.90.80
6812.99.20	8414.80.05	8501.34.61	8529.90.33	9030.10.00
6812.99.90	8414.80.16	8501.40.50	8529.90.36	9030.20.05
6813.20.00	8414.80.20	8501.40.60	8529.90.39	9030.20.10
6813.81.00	8414.80.90	8501.51.50	8529.90.43	9030.31.00
6813.89.00	8414.90.10	8501.51.60	8529.90.46	9030.32.00
7007.21.11	8414.90.30	8501.52.40	8529.90.49	9030.33.34
7304.31.30	8414.90.41	8501.52.80	8529.90.55	9030.33.38
7304.31.60	8414.90.91	8501.53.40	8529.90.63	9030.39.01
7304.39.00	8415.10.60	8501.53.60	8529.90.68	9030.40.00
7304.41.30	8415.10.90	8501.61.01	8529.90.73	9030.84.00
7304.41.60	8415.81.01	8501.62.01	8529.90.77	9030.89.01
7304.49.00	8415.82.01	8501.63.01	8529.90.78	9030.90.25
7304.51.10	8415.83.00	8501.71.00	8529.90.81	9030.90.46
7304.51.50	8415.90.40	8501.72.10	8529.90.83	9030.90.66

7304.59.10	8415.90.80	8501.72.20	8529.90.87	9030.90.68
7304.59.20	8418.10.00	8501.72.30	8529.90.88	9030.90.84
7304.59.60	8418.30.00	8501.72.90	8529.90.89	9030.90.89
7304.59.80	8418.40.00	8501.80.10	8529.90.93	9031.80.40
7304.90.10	8418.61.01	8501.80.20	8529.90.95	9031.80.80
7304.90.30	8418.69.01	8501.80.30	8529.90.97	9031.90.21
7304.90.50	8419.50.10	8502.11.00	8529.90.98	9031.90.45
7304.90.70	8419.50.50	8502.12.00	8531.10.00	9031.90.54
7306.30.10	8419.81.50	8502.13.00	8531.20.00	9031.90.59
7306.30.30	8419.81.90	8502.20.00	8531.80.15	9031.90.70
7306.30.50	8419.90.10	8502.31.00	8531.80.90	9031.90.91
7306.40.10	8419.90.20	8502.39.00	8536.70.00	9032.10.00
7306.40.50	8419.90.30	8502.40.00	8539.10.00	9032.20.00
7306.50.10	8419.90.50	8504.10.00	8539.51.00	9032.81.00
7306.50.30	8419.90.85	8504.31.20	8543.70.42	9032.89.20
7306.50.50	8421.19.00	8504.31.40	8543.70.45	9032.89.40
7306.61.10	8421.21.00	8504.31.60	8543.70.60	9032.89.60
7306.61.30	8421.23.00	8504.32.00	8543.70.80	9032.90.21
7306.61.50	8421.29.00	8504.33.00	8543.70.91	9032.90.41
7306.61.70	8421.31.00	8504.40.40	8543.70.95	9032.90.61
7306.69.10	8421.32.00	8504.40.60	8543.90.12	9033.00.90
7306.69.30	8421.39.01	8504.40.70	8543.90.15	9104.00.05
7306.69.50	8424.10.00	8504.40.85	8543.90.35	9104.00.10
7306.69.70	8425.11.00	8504.40.95	8543.90.65	9104.00.20
7312.10.05	8425.19.00	8504.50.40	8543.90.68	9104.00.25
7312.10.10	8425.31.01	8504.50.80	8543.90.85	9104.00.30
7312.10.20	8425.39.01	8507.10.00	8543.90.88	9104.00.40
7312.10.30	8425.42.00	8507.20.80	8544.30.00	9104.00.45
7312.10.50	8425.49.00	8507.30.80	8801.00.00	9104.00.50
7312.10.60	8426.99.00	8507.50.00	8802.11.01	9104.00.60
7312.10.70	8428.10.00	8507.60.00	8802.12.01	9109.10.50
7312.10.80	8428.20.00	8507.80.82	8802.20.01	9109.10.60
7312.10.90	8428.33.00	8507.90.40	8802.30.01	9109.90.20
7312.90.00	8428.39.00	8507.90.80	8802.40.01	9401.10.40
7322.90.00	8428.90.03	8511.10.00	8805.29.00	9401.10.80
7324.10.00	8443.31.00	8511.20.00	8806.10.00	9403.20.00
7324.90.00	8443.32.10	8511.30.00	8806.21.00	9403.70.40
7326.20.00	8443.32.50	8511.40.00	8806.22.00	9403.70.80
7413.00.90	8471.41.01	8511.50.00	8806.23.00	9405.11.40
7608.10.00	8471.49.00	8511.80.20	8806.24.00	9405.11.60
7608.20.00	8471.50.01	8511.80.40	8806.29.00	9405.11.80
8108.90.60	8471.60.10	8511.80.60	8806.91.00	9405.19.40
8302.10.60	8471.60.20	8514.20.40	8806.92.00	9405.19.60

8302.10.90	8471.60.70	8516.80.40	8806.93.00	9405.19.80
8302.20.00	8471.60.80	8516.80.80	8806.94.00	9405.61.20
8302.42.30	8471.60.90	8517.13.00	8806.99.00	9405.61.40
8302.42.60	8471.70.10	8517.14.00	8807.10.00	9405.61.60
8302.49.40	8471.70.20	8517.61.00	8807.20.00	9405.69.20
8302.49.60	8471.70.30	8517.62.00	8807.30.00	9405.69.40
8302.49.80	8471.70.40	8517.69.00	8807.90.90	9405.69.60
8302.60.30	8471.70.50	8517.71.00	9001.90.40	9405.92.00
8307.10.30	8471.70.60	8518.10.40	9001.90.50	9405.99.20
8307.90.30	8471.70.90	8518.10.80	9001.90.60	9405.99.40
8407.10.00	8479.89.10	8518.21.00	9001.90.80	9620.00.50
8408.90.90	8479.89.20	8518.22.00	9001.90.90	9620.00.60
8409.10.00	8479.89.65	8518.29.40	9002.90.20	9802.00.40
8411.11.40	8479.89.70	8518.29.80	9002.90.40	9802.00.50
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8411.12.40	8479.90.41	8518.30.20	9002.90.85	9802.00.80
8411.12.80	8479.90.45	8518.40.10	9002.90.95	9818.00.05
8411.21.40	8479.90.55	8518.40.20	9014.10.10	9818.00.07

(v) The additional duties imposed by heading 9903.01.77 shall not apply to products of iron or steel provided for in headings 9903.81.87 and 9903.81.88.

(vi) The additional duties imposed by heading 9903.01.77 shall not apply to derivative iron or steel products provided for in headings 9903.81.89, 9903.81.90, 9903.81.91, 9903.81.92 and 9903.81.93.

(vii) The additional duties imposed by heading 9903.01.77 shall not apply to products of aluminum provided for in heading 9903.85.02.

(viii) The additional duties imposed by heading 9903.01.77 shall not apply to derivative aluminum products provided for in headings 9903.85.04, 9903.85.07, 9903.85.08 and 9903.85.09.

(ix) The additional duties imposed by heading 9903.01.77 shall not apply to passenger vehicles (sedans, sport utility vehicles, crossover utility vehicles, minivans, and cargo vans) and light trucks provided for in headings 9903.94.01 and 9903.94.03.

(x) The additional duties imposed by heading 9903.01.77 shall not apply to parts of passenger vehicles (sedans, sport utility vehicles, crossover utility vehicles, minivans, and cargo vans) and parts of light trucks provided for in heading 9903.94.05.

(xi) The additional duties imposed by heading 9903.01.77 shall not apply to semi-finished copper and intensive copper derivative products provided for in heading 9903.78.01.”

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Presidential Documents

Executive Order 14324 of July 30, 2025

Suspending Duty-Free De Minimis Treatment for All Countries

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483), and section 301 of title 3, United States Code, it is hereby ordered:

Section 1. *Background.* In Executive Order 14193 of February 1, 2025 (Imposing Duties To Address the Flow of Illicit Drugs Across Our Northern Border), I declared a national emergency regarding the unusual and extraordinary threat to the safety and security of Americans, including the public health crisis caused by fentanyl and other illicit drugs and the failure of Canada to do more to arrest, seize, detain, or otherwise intercept drug trafficking organizations, other drug and human traffickers, criminals at large, and illicit drugs. In that order, I determined that it was necessary and appropriate to, among other things, suspend duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) for articles described in section 2(a) and section 2(b) of that order. In Executive Order 14226 of March 2, 2025 (Amendment to Duties To Address the Flow of Illicit Drugs Across Our Northern Border), I paused the suspension of duty-free *de minimis* treatment on such articles until I received a notification from the Secretary of Commerce (Secretary) that adequate systems are in place to fully and expeditiously process and collect duties for such articles that would otherwise be eligible for duty-free *de minimis* treatment.

In Executive Order 14194 of February 1, 2025 (Imposing Duties To Address the Situation at Our Southern Border), I declared a national emergency regarding the unusual and extraordinary threat to the safety and security of Americans, including the public health crisis caused by fentanyl and other illicit drugs and the failure of Mexico to do more to arrest, seize, detain, or otherwise intercept drug trafficking organizations, other drug and human traffickers, criminals at large, and illicit drugs. In that order, I determined that it was necessary and appropriate to, among other things, suspend duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) for articles described in section 2(a) of that order. In Executive Order 14227 of March 2, 2025 (Amendment to Duties To Address the Situation at Our Southern Border), I paused the suspension of duty-free *de minimis* treatment on such articles until I received a notification from the Secretary that adequate systems are in place to fully and expeditiously process and collect duties for such articles that would otherwise be eligible for duty-free *de minimis* treatment.

In Executive Order 14195 of February 1, 2025 (Imposing Duties To Address the Synthetic Opioid Supply Chain in the People's Republic of China), I declared a national emergency regarding the unusual and extraordinary threat from the failure of the Government of the People's Republic of China (PRC) to arrest, seize, detain, or otherwise intercept chemical precursor suppliers, money launderers, other transnational criminal organizations, criminals at large, and illicit drugs. In that order, I determined that it was necessary and appropriate to, among other things, suspend duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) for articles described

in section 2(a) of that order. In Executive Order 14200 of February 5, 2025 (Amendment to Duties Addressing the Synthetic Opioid Supply Chain in the People's Republic of China), I paused the suspension of duty-free *de minimis* treatment for articles described in section 2(a) of Executive Order 14195 until I received a notification from the Secretary that adequate systems are in place to fully and expeditiously process and collect duties for such articles that would otherwise be eligible for duty-free *de minimis* treatment.

I subsequently received notification from the Secretary that adequate systems have been established to process and collect duties for articles of the PRC and Hong Kong that would otherwise be eligible for duty-free *de minimis* treatment, and in Executive Order 14256 of April 2, 2025 (Further Amendment to Duties Addressing the Synthetic Opioid Supply Chain in the People's Republic of China as Applied to Low-Value Imports), I suspended duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) for products of the PRC and Hong Kong described in section 2(a) of Executive Order 14195, as amended by Executive Order 14228 (Further Amendment to Duties Addressing the Synthetic Opioid Supply Chain in the People's Republic of China). In addition, I instructed the Secretary to submit a report regarding the impact of Executive Order 14256 on American industries, consumers, and supply chains and to make recommendations for further action as he deems necessary.

In Executive Order 14257 of April 2, 2025 (Regulating Imports With a Reciprocal Tariff To Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits), I declared a national emergency with respect to underlying conditions indicated by the large and persistent annual U.S. goods trade deficits. I also provided that duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) would remain available for products described in section 3(a) of that order until I received a notification by the Secretary that adequate systems are in place to fully and expeditiously process and collect duties applicable for articles otherwise eligible for duty-free *de minimis* treatment.

The Secretary has notified me that adequate systems are now in place to fully and expeditiously process and collect duties for articles otherwise eligible for duty-free *de minimis* treatment on a global basis, including for products described in section 2(a) and section 2(b) of Executive Order 14193, section 2(a) of Executive Order 14194, and section 3(a) of Executive Order 14257.

In my judgment, I determine that it is still necessary and appropriate to suspend duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) in the manner and for the articles described below to deal with the unusual and extraordinary threats, which have their source in whole or substantial part outside the United States, to the national security, foreign policy, and economy of the United States.

I determine that it is necessary and appropriate to suspend duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) for certain Canadian goods to deal with the emergency declared in Executive Order 14193, as amended. In my judgment, this suspension is necessary and appropriate to ensure that the tariffs imposed by Executive Order 14193, as amended, are effective in addressing the emergency declared in Executive Order 14193 and that the purpose of this action and other actions to address the emergency declared in Executive Order 14193 is not undermined. For example, many shippers go to great lengths to evade law enforcement and hide illicit substances in imports that go through international commerce. These shippers conceal the true contents of shipments sent to the United States through deceptive shipping practices. Some of the techniques employed by these shippers to conceal the true contents of the shipments, the identity of the distributors, and the country of origin of the imports include the use of re-shippers in the United States, false invoices, fraudulent postage, and

deceptive packaging. The risks of evasion, deception, and illicit-drug importation are particularly high for low-value articles that have been eligible for duty-free *de minimis* treatment.

Independently, I determine that it is necessary and appropriate to suspend duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) for certain Mexican goods to deal with the emergency declared in Executive Order 14194, as amended. In my judgment, and for substantially similar reasons as above, this suspension is necessary and appropriate to ensure that the tariffs imposed by Executive Order 14194, as amended, are effective in addressing the emergency declared in Executive Order 14194 and that the purpose of this action and other actions to address the emergency declared in Executive Order 14194 is not undermined.

Independently, and after considering information newly provided by the Secretary, among other things, I determine that it is still necessary and appropriate to continue to suspend duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) for certain goods of the PRC and Hong Kong to deal with the emergency declared in Executive Order 14195, as amended. In my judgment, and for substantially similar reasons as above, this suspension is still necessary and appropriate to ensure that the tariffs imposed by Executive Order 14195, as amended, are effective in addressing the emergency declared in Executive Order 14195 and that the purpose of this action and other actions to address the emergency declared in Executive Order 14195 is not undermined.

Also independently, I determine that it is necessary and appropriate to suspend duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) on a global basis to deal with the emergency declared in Executive Order 14257, as amended. In my judgment, this suspension is necessary and appropriate to ensure that the tariffs imposed by Executive Order 14257, as amended, are not evaded and are effective in addressing the emergency declared in Executive Order 14257 and that the purpose of this action and other actions to address the emergency declared in Executive Order 14257 is not undermined.

Each of my determinations to suspend or continue to suspend duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) are independent from the other. And each determination is made only for the purpose to deal with the respective emergency and not for the purpose of dealing with another emergency.

Sec. 2. *Suspension of Duty-Free de minimis Treatment.* (a) The duty-free *de minimis* exemption provided under 19 U.S.C. 1321(a)(2)(C) shall no longer apply to any shipment of articles not covered by 50 U.S.C. 1702(b), regardless of value, country of origin, mode of transportation, or method of entry. Accordingly, all such shipments, except those sent through the international postal network, shall be subject to all applicable duties, taxes, fees, exactions, and charges. International postal shipments not covered by 50 U.S.C. 1702(b) shall be subject to the duty rates described in section 3 of this order. Entry for all shipments that—prior to the effective date of this order—qualified for the *de minimis* exemption, except for shipments sent through the international postal network, shall be filed using an appropriate entry type in the Automated Commercial Environment (ACE) by a party qualified to make such entry.

(b) Shipments sent through the international postal network that would otherwise qualify for the *de minimis* exemption under 19 U.S.C. 1321(a)(2)(C) shall pass free of any duties except those specified in section 3 of this order, and without the preparation of an entry by U.S. Customs and Border Protection (CBP), until such time as CBP establishes a new entry process and publishes that process in the *Federal Register*.

Sec. 3. *Duty Rates for International Postal Shipments.* (a) Transportation carriers delivering shipments to the United States through the international postal network, or other parties if qualified in lieu of such transportation

carriers, must collect and remit duties to CBP using the methodology described in either subsection (b) or (c) of this section. Each transportation carrier shall apply the same methodology across all covered shipments during any given period but may change its methodology no more than once per calendar month, or on another schedule determined to be appropriate by CBP, upon providing at least 24 hours' notice to CBP.

(b) A duty equal to the effective IEEPA tariff rate applicable to the country of origin of the product shall be assessed on the value of each dutiable postal item (package) containing goods entered for consumption.

(c) A specific duty shall be assessed on each package containing goods entered for consumption, based on the effective IEEPA tariff rate applicable to the country of origin of the product as follows:

(i) Countries with an effective IEEPA tariff rate of less than 16 percent: $80 per item;

(ii) Countries with an effective IEEPA tariff rate between 16 and 25 percent (inclusive): $160 per item; and

(iii) Countries with an effective IEEPA rate above 25 percent: $200 per item.

(d) For all international postal shipments subject to the methodologies described in subsections (b) and (c) of this section, the country of origin of the article must be declared to CBP.

(e) The specific duty methodology provided for in subsection (c) of this section shall be available for transportation carriers to select for a period of 6 months from the effective date of this order. After such time all shipments to the United States through the international postal network must comply with the *ad valorem* duty methodology in subsection (b) of this section.

(f) Shipments sent through the international postal network that are subject to antidumping and countervailing duties or a quota must continue to be entered under an appropriate entry type in ACE to the extent required by all applicable regulations.

Sec. 4. *Implementation.* (a) The requirements and procedures established by sections 2 and 3 of this order shall be effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on August 29, 2025.

(b) The provisions of this order supersede section 2 of Executive Order 14256, as amended, with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on August 29, 2025.

(c) Consistent with applicable law, the Secretary of Homeland Security is directed and authorized to take all necessary actions to implement and effectuate this order—including through temporary suspension or amendment of regulations or through notices in the *Federal Register* and by adopting rules, regulations, or guidance—and to employ all powers granted to the President by IEEPA as may be necessary to implement and effectuate this order. The Secretary of Homeland Security, in consultation with the United States International Trade Commission (ITC), shall determine whether modifications to the Harmonized Tariff Schedule of the United States are necessary to effectuate this order and may make such modifications through notice in the *Federal Register*. The Secretary of Homeland Security shall consult with the Secretary of State, the Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the United States Trade Representative, the ITC, and the Postmaster General, where appropriate. The Secretary of Homeland Security may, consistent with applicable law, redelegate any of these functions within the Department of Homeland Security. All executive departments and agencies shall take all appropriate measures within their authority to implement this order.

(d) To ensure remittance of duties in accordance with this order, and to assure compliance with other legal requirements, CBP is authorized to

require a basic importation and entry bond as described in 19 CFR 113.62 for informal entries valued at or less than $2,500. Any carrier that transports international postal shipments to the United States, by any mode of transportation, must have an international carrier bond as described in 19 CFR 113.64 to ensure payment of the duties described in section 3 of this order. CBP is authorized to ensure that the international carrier bonds required by this subsection are sufficient to account for the duties described in section 3 of this order.

Sec. 5. *Definition.* As used in this order, the term ''effective IEEPA tariff rate'' means the total duty rate imposed on articles to address a national emergency declared under IEEPA, including Executive Order 14257, as amended; Executive Order 14193; as amended, Executive Order 14194, as amended; and Executive Order 14195, as amended, in accordance with the stacking rules set out in Executive Order 14289 of April 29, 2025 (Addressing Certain Tariffs on Imported Articles), and any subsequent order or proclamation addressing stacking or the applicability of tariffs imposed under IEEPA.

Sec. 6. *Severability.* (a) If any provision of this order or the application of any provision of this order to any individual or circumstance is held to be invalid, the remainder of this order and the application of its provisions to any other individuals or circumstances shall not be affected.

(b)(i) If the additional duties imposed under Executive Order 14193, as amended, Executive Order 14194, as amended, Executive Order 14195, as amended, or Executive Order 14257, as amended, are held to be invalid, the suspension of, or continued suspension of, duty-free *de minimis* treatment, as detailed in this order, shall not be affected. Duty-free *de minimis* treatment would still be suspended, whether pursuant to my authority under 50 U.S.C. 1702(a)(1)(B) to ''regulate . . . importation'' or my authority under that provision to ''nullify'' or ''void'' ''exercising any right . . . or privilege with respect to . . . any property,'' in the way and to the extent explained in this order, to deal with the emergencies declared in Executive Order 14193, as amended, Executive Order 14194, as amended, Executive Order 14195, as amended, or Executive Order 14257, as amended. Such suspensions are still necessary and appropriate to address the unusual and extraordinary threats to the national security, foreign policy, and economy of the United States. Each determination to suspend or continue to suspend duty-free *de minimis* treatment is still independent from the other determination and made only with the purpose to deal with the respective emergency and not for the purpose of dealing with another emergency. CBP is directed and authorized to take all necessary actions consistent with applicable law to implement and effectuate this order in line with this section—including through temporary suspension or amendment of regulations or through notices in the *Federal Register* and by adopting rules, regulations, or guidance—and to employ all powers granted to the President by IEEPA as may be necessary to implement and effectuate this order in line with this section.

(ii) Duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) shall remain available for postal shipments until notification by the Secretary to the President that adequate systems are in place to fully and expeditiously process and collect duties applicable for postal shipments otherwise eligible for duty-free *de minimis* treatment. After such notification, duty-free *de minimis* treatment under 19 U.S.C. 1321(a)(2)(C) shall not be available for postal shipments.

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

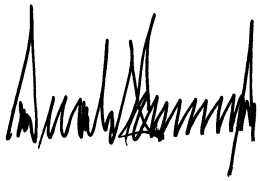
(i) the authority granted by law to an executive department or agency, or the head thereof; or

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

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

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

(d) The costs for publication of this order shall be borne by the Department of Homeland Security.



THE WHITE HOUSE,
July 30, 2025.

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