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OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 430

[Docket ID: OPM-2025-0006]

RIN 3206-AO81

Assuring Responsive and Accountable Federal Executive Management

AGENCY: Office of Personnel Management.

ACTION: Final rule.

SUMMARY: The Office of Personnel Management (OPM) is issuing this final rule to remove the prohibition of a forced distribution of performance rating levels within the Senior Executive Service (SES) as well as eliminate diversity, equity, and inclusion (DEI) language within SES performance management regulations. Governmentwide SES ratings data have consistently shown that most SES receive the highest rating levels (*i.e.*, Levels 4 and 5) despite documented reports of SES failings. Allowing agencies to limit the highest SES rating levels will increase rigor in SES appraisal and lead to a more normalized distribution of SES ratings across the Federal Government.

DATES: Effective October 15, 2025.

FOR FURTHER INFORMATION CONTACT: Noah Peters, Senior Advisor to the Director, 202-606-8046 or by email at SESpolicy@opm.gov.

SUPPLEMENTARY INFORMATION:

Background

The Senior Executive Service (SES), established by the Civil Service Reform Act (CSRA) of 1978, was designed to form a corps of top-level Federal executives who provide leadership and continuity between political appointees and career civil servants. The SES operates under a unified personnel system with standardized executive qualifications and provides agencies flexibility in managing executive

resources, all while preserving the public interest.

In 2004, the SES transitioned to a pay-for-performance system under Section 1125 of Public Law 108-136 (November 24, 2003). This change replaced the prior six-level pay system with an open-range structure tied to individual performance. Automatic pay increases were eliminated, and compensation became contingent upon rigorous performance evaluations. Agencies had to obtain certification of their appraisal systems from the Office of Personnel Management (OPM) and the Office of Management and Budget (OMB) to exceed the standard SES pay cap of level III of the Executive Schedule. The intent of the pay-for-performance system is to attract top talent, reward high performers, and improve accountability.

SES performance is assessed annually based on individual and organizational outcomes, as specified in 5 CFR part 430, subpart C. Ratings range from Level 1 “Unsatisfactory” to Level 5 “Outstanding.” In 2012, OPM issued a model SES performance appraisal system referred to as the “Basic SES Performance Appraisal System,”¹ which created a consistent and uniform framework to communicate expectations and evaluate the performance of SES members across agencies. The Basic SES Performance Appraisal System was later refined in 2016 following a 2015 Government Accountability Office (GAO) report² and OPM updates to SES performance management regulations.

Despite OPM’s efforts to drive uniformity and consistency in the SES appraisal system, agencies have continuously struggled to ensure meaningful distinctions are made in SES performance ratings. According to the 2015 GAO report, about 85% of SES members received ratings of “Outstanding” or “Exceeds Fully Successful” from 2010 to 2013 while only 0.1% of senior executives in Chief Financial Officers Act agencies (see 31

U.S.C. 901) were rated at the lowest rating level. Similar patterns have continued; for the 2023 performance cycle, approximately 96% of SES members received top ratings (*i.e.*, Levels 4 and 5), while fewer than 0.5% were rated below “Fully Successful.”³

This inflation in ratings undermines the SES appraisal system’s integrity and the statutory requirement at 5 U.S.C. 4312(a)(3) to encourage excellence in performance. For instance, in 2014, despite a national scandal involving manipulated wait times and mismanagement at the Department of Veterans Affairs (VA),⁴ 80% of VA SES members received an “Outstanding” or “Exceeds Fully Successful” rating.⁵ OPM and GAO have both recognized the lack of meaningful distinctions in performance ratings as a critical issue.

Efforts to improve performance management, such as OPM’s 2019 memorandum⁶ to agencies on how to increase rigor in performance management through well-developed performance standards, have not been successful. The 2024 Federal Employee Viewpoint Survey showed that just 47% of employees agreed with the statement, “In my work unit, differences in performance are recognized in a meaningful way.” This was the lowest positive response rate for any question and has consistently been the lowest over the past three years.⁷ These patterns suggest a disconnect between executive performance ratings and actual organizational outcomes, raising concerns about accountability in key public service areas.

This final rule removes the regulatory prohibition of forced distribution of

³ SES ratings data submitted by individual agencies for SES performance appraisal system certification purposes. OPM manually compiled individual agency data to produce the fiscal year 23 SES ratings distribution data.

⁴ Department of Veterans Affairs Office of Inspector General, “Review of Alleged Patient Deaths, Patient Wait Times, and Scheduling Practices at the Phoenix VA Health Care System,” Report #14-02603-267, available at <https://www.vaog.gov/sites/default/files/reports/2014-08/VAOIG-14-02603-267.pdf>.

⁵ See, *supra*, footnote 2.

⁶ OPM, “Applying Rigor in the Performance Management Process and Leveraging Awards Programs for a High-Performing Workforce,” available at https://www.opm.gov/chcoc/transmittals/2019/applying-rigor-performance-management-process-and-leveraging-awards-programs-high-performing_508_0.pdf.

⁷ FEVS Results for 2022 to 2024 available at <https://www.opm.gov/fevs/reports/governmentwide-reports/>.

¹ OPM, “Senior Executive Service Performance Appraisal System,” (January 4, 2012), available at https://www.opm.gov/chcoc/transmittals/2012/senior-executive-service-performance-appraisal-system_508.pdf.

² Government Accountability Office, “OPM Needs to Do More to Ensure Meaningful Distinctions Are Made in SES Ratings and Performance Awards,” GAO Report to Congressional Requesters” (January 2015), available at <https://www.gao.gov/assets/gao-15-189.pdf>.

performance ratings at 5 CFR 430.305(a)(5) and provides that OPM may establish a forced distribution of SES rating levels. Forced distribution involves assigning ratings based on pre-determined limits, such as reserving top ratings for a fixed percentage of performers. This approach aligns with performance practices in the private sector, where companies have used forced distribution of some sort in their performance evaluations.^{8,9}

Several foreign civil service systems including those in the UK, Germany, Portugal, and Indonesia have also implemented similar models.¹⁰ Research indicates that forced distribution, when implemented with appropriate oversight can promote merit-based rewards and increase organizational performance.¹¹ This is particularly pertinent for the Federal Government because, unlike the private sector, the Federal Government lacks a profit motive to ensure meaningful evaluations of its executives. As such, the Federal Government must rely on accurate appraisals and meaningful distinctions in performance to ensure accountability, uphold public trust, and meet statutory obligations.

On January 20, 2025, President Trump issued a Presidential Memorandum titled “Restoring Accountability for Career Senior Executives,” (90 FR 8481; Jan. 30, 2025) (“Restoring Accountability Memo”), directing OPM and OMB to issue SES performance plans that agencies must adopt. The Memorandum’s goal is to ensure SES members are held accountable to the President and the public and to reinvigorate the SES system by prioritizing merit and performance. In line with the Restoring Accountability Memo, on February 25, 2025, OPM issued a new SES performance appraisal system and plan.¹²

⁸ See, e.g., “Should a company rate its staff? A former Amazon exec says ‘stack ranking’ is useful when done right,” CNBC, December 5, 2023, available at <https://www.cnbc.com/2023/12/05/stack-ranking-ex-amazon-exec-explains-the-performance-review-system.html>.

⁹ “Stack Ranking—All You Need to Know,” Medium (April 3, 2020) available at <https://medium.com/@corvisio/stack-ranking-all-you-need-to-know-a5339c27ad83>.

¹⁰ “Performance Appraisal in the EU Member States and the European Commission,” URAD VLADY SLOVENSKEJ REPUBLIKY (2017) available at https://www.eupan.eu/wp-content/uploads/2019/02/2016_2_SK_Performance_Appraisal_in_the_EU_Member_States_and_the_European_Commission.pdf.

¹¹ Wijayanti, A., Sholihin, M., Nahartyo, E., & Supriyadi, S., *What do we know about the forced distribution system: A systematic literature review and opportunities for future research*, Management Quarterly Review (2024).

¹² OPM, “New Senior Executive Service Performance Appraisal System and Performance

On January 20, 2025, President Trump also signed Executive Order (E.O.) 14151, “Ending Radical and Wasteful Government DEI Programs and Preferencing,” 90 FR 8339 (Jan. 29, 2025). This order directs the termination of all DEI policies, programs, and preferences in the Federal Government, under whatever name they appear. OPM proposed several regulatory changes in conformance with this E.O.

Summary of Changes

OPM has reviewed the performance management regulations governing the SES and is issuing this final rule in response to both of the President’s January 2025 directives and pursuant to its regulatory authority in 5 U.S.C. 4315. OPM is amending 5 CFR 430.305(a)(5) by removing the prohibition on the use of a forced distribution of ratings and adding a provision at 5 CFR 430.305(d), allowing OPM to require and enforce a pre-established agency-wide and Governmentwide distribution of performance ratings among SES members for covered agencies and personnel. OPM expects agencies to implement a forced distribution limiting the highest rating levels (*i.e.*, Levels 4 and 5) only, as opposed to implementing any requirements with respect to the number of executives rated at Levels 1 through 3. In response to public comment, OPM is also adding a provision to 5 CFR 430.305(d) in this final rule, specifying that OPM may exclude noncareer SES appointees from such forced distribution requirements. This provision helps alleviate a concern described in the Public Comment section—that noncareer SES appointees might receive preferential consideration for high rating levels at the expense of career SES members’ ratings.

As discussed in more detail in a subsequent discussion of comments, OPM is making additional revisions to eliminate diversity, equity, and inclusion (DEI) language within SES performance management regulations, consistent with E.O. 14151.

Public Comment

In response to the proposed rule, OPM received 26 comments during the 30-day public comment period from multiple individuals, multiple labor organizations, a professional organization representing employment

Plan, and Guidance on Next Steps for Agencies to Implement Restoring Accountability for Career Senior Executives” (February 25, 2025), available at <https://www.opm.gov/policy-data-oversight/latest-memos/new-senior-executive-service-performance-appraisal-system-and-performance-plan-and-guidance-on-next-steps-for-agencies-to-implement-restoring-accountability-for-career-senior-executives.pdf>.

law lawyers, and six Federal agencies. At the conclusion of the public comment period, OPM reviewed and analyzed the comments. In general, the comments on the rule change were mixed, with some expressing support and others expressing opposition, and one comment that was outside the scope of the rulemaking. The comments are summarized below, along with the suggestions for revisions that were considered and either adopted, adopted in part, or declined, and the rationale therefor.

In the first section below, we address general or overarching comments. In the sections that follow, we address comments related to the specific portions of the regulation that OPM proposed to revise.

General Comments

OPM received several comments from individuals and agencies expressing general support for the proposed regulatory changes. For example, one commenter stated, “I think it is ridiculous that 95 percent of SES members get rated four or five out of five. And nearly two-thirds are rated as five out of five.” The same commenter went on to say “OPM should do this. It is just common sense.” Comment 06.¹³ Additionally, two commenters at one agency conveyed that their agency fully supports the OPM proposed rule, acknowledging that it aligns with the Trump Administration policy priorities around restoring accountability in the career SES and ending radical and wasteful government DEI programs. Comments 14 and 17.

OPM also received responses that expressed general opposition to the changes. One commenter stated: “I recommend we do not change the SES rating system. It is important that we have professionals in the SES and other agencies who have the Knowledge, Skills, and abilities to keep progressing in the mission of the agencies.” Comment 02. Another commenter stated, “Please do not change the existing evaluation process for Federal employees due to the whims of the current administration.” Comment 10.

Section-by-Section Analysis

In the following sections, we address the public comments related to the specific portion of the regulation to which each comment applied.

¹³ A reference to a comment provides the location of the item in the public record (*i.e.*, the two-digit number associated with the location in the docket). Comments filed in response to the proposed rule are available at <https://www.regulations.gov/comment/OPM-2025-0006-00nn>, where nn is the comment number.

Forced Distribution

OPM received a wide range of comments in response to its proposal to remove the prohibition of a forced distribution of performance rating levels within the SES. Comments ranged from strong support to strong opposition, while others agreed that, although something should be done to address inflated ratings in the SES, there are alternatives to forced distribution that could be pursued.

Members of the public and several agencies expressed support for removing the prohibition of a forced distribution due to the large number of high-level ratings issued under the current SES rating system, resulting in a lack of differentiation between the higher and lower performers. One commenter stated, “I support this proposed rule to limit the number of Federal executives who can receive the highest performance ratings. Currently, too many top-level managers receive ‘outstanding’ or ‘great job’ ratings, which makes it difficult to hold leaders accountable or recognize who is truly excelling.” Comment 20.

Notably, all the agencies that provided comments supported removing the prohibition on forced distribution. One agency in particular stated that the proposed change “would fundamentally elevate the standard of accountability within the Executive Branch, ensuring that only the truly deserving performers are rewarded for their performance.” Comment 27. Several other agencies agreed that removing the prohibition on forced distribution would lead to a more normalized ratings distribution and would result in greater recognition for the truly exceptional performers. *See, e.g.,* Comments 18, 24, 25.

Another agency suggested that the implementation of a forced distribution will better serve the merit system principle at 5 U.S.C. 2301(b)(1), which requires that advancement be determined solely on the basis of relative ability, knowledge, and skills, after fair and open competition which assures that all receive equal opportunity. The agency asserted that the statute’s use of the term “relative” is not accidental. The agency stated that, “It is a recognition of the fact that assessing the ability, knowledge, and skill of a Federal employee requires a comparison to similarly situated individuals to make a full and fair assessment. In appropriate circumstances, forced distribution will greatly assist agencies in distinguishing between SES employees—who would otherwise appear to be indistinguishable

and interchangeable from their personnel records—for purposes of selection or advancement.” Comment 22.

OPM agrees that this rule will have a positive impact on reducing inflated ratings within the SES. Enabling agencies to implement a forced distribution limiting the number of high-level SES ratings will create conditions that support meaningful distinctions in performance. OPM also agrees that utilizing a forced distribution, where agencies must consider relative performance, better reflects the merit system principle at 5 U.S.C. 2301(b)(1) than a system that predominantly fails to make distinctions in performance.

Several individual commenters, the two labor organizations, and the professional organization opposed OPM’s proposal to remove the prohibition on a forced distribution. For example, some of the commenters and one of the labor organizations were concerned that forced distribution could negatively impact the culture and work environment if implemented. Comments 13, 15, 23. One commenter stated that, “such systems have been criticized for creating an environment of unhealthy competition, decreased morale and reduced collaboration among employees.” Comment 13. The labor organization echoed this concern stating: “Forced distribution is not well-suited to entities that value security or long-term orientation, as it disincentivizes creativity and risk-taking and inhibits relationship building between employees. Organizations like the Federal Government that rely on data sharing and long-term planning are especially vulnerable to the culture created by forced distribution, which often strangles innovation and dissuades collaboration.” Comment 23.

OPM disagrees with the concerns posed about the effect of forced distribution on agency culture and innovation. By removing the prohibition on a forced distribution of ratings, OPM is advocating, as it has done for many years, for agencies to strive towards creating a high-performance culture where truly exceptional performance will be differentiated from mediocre and poor performance and that a Level 3 “Fully Successful” rating will be increasingly recognized as a positive rating that is valued.¹⁴ Appraisals of

performance in the SES, as required by 5 U.S.C. 4313, must be based on both individual and organizational performance and, for an agency’s appraisal system to be certified under 5 U.S.C. 5307(d), it must make meaningful distinctions based on relative performance. As such, the concern that forced distribution will stifle collaboration or lead to unproductive competition is obviated by the executive’s rating depending on the successful achievement of organization and agency goals. Senior executives cannot receive high ratings through their individual efforts alone; collaboration and cross-functional cooperation are unavoidable imperatives that a successful senior executive must embrace, regardless of whether a forced distribution is implemented or not.

Some commenters and the professional organization were concerned that imposing a forced distribution will diminish accuracy and accountability from the appraisal of senior executive performance. Comments 04, 05, 19. For example, one commenter stated: “Certainly, an individual who may have been entitled to a top-notch review will be hamstrung into a lower category, simply because this forced distribution requires it. In fact, lower performers may even get placed into a higher category because this forced distribution requires that no more than x number of employees be evaluated at the lowest level.” Comment 04. The professional organization stated, “Any such curve necessarily introduces inaccuracies in the appraisals provided to SES employees, by forcing employees whose performance may merit ‘4’ or ‘5’ level rating under the applicable performance standards to only receive a ‘3’ rating to comply with the ‘grading curve.’” The professional organization also argued that the proposal to remove forced distribution violates 5 U.S.C. 3131(2) and (4) and 4312(a)(1). Comment 19.

OPM does not agree that imposing a forced distribution would remove accuracy or accountability from the appraisal of senior executive performance. On the contrary, OPM believes that failing to effectively reform a Governmentwide appraisal system in which approximately 96% of its senior executives receive the highest rating levels erodes accountability and credibility from SES performance appraisals. OPM also disagrees that implementation of a forced distribution could result in a poor performer

¹⁴ *See, e.g.,* OPM, “Applying Rigor in the Performance Management Process and Leveraging Awards Programs for a High-Performing Workforce,” (July 12, 2019) available at [https://www.opm.gov/chcoc/transmittals/2019/applying-rigor-performance-management-process-and-](https://www.opm.gov/chcoc/transmittals/2019/applying-rigor-performance-management-process-and-leveraging-awards-programs-high-performing_508_0.pdf)

[leveraging-awards-programs-high-performing_508_0.pdf](https://www.opm.gov/chcoc/transmittals/2019/applying-rigor-performance-management-process-and-leveraging-awards-programs-high-performing_508_0.pdf).

receiving a higher rating than he or she earned. The final rule does not mandate any minimums with respect to the rating levels issued at an agency. Rather, it simply removes the categorical prohibition on forced distribution. The new SES appraisal system and plan issued on February 25, 2025, instructed that, if the regulatory prohibition on forced distribution is removed, each agency would be expected to limit their number of Level 4 and 5 ratings to no more than 30%. The new system also includes flexibility for the President to waive the 30% limit by certifying that the performance of the agency's executives was outstanding during the relevant time period. OPM has no intention of requiring a minimum number of ratings at any of the lower rating levels. OPM also disagrees with the interpretation by the professional organization that removing the prohibition on forced distribution violates any statutes. The current SES appraisal landscape is one in which the accuracy of SES ratings should be questioned, given that almost no meaningful distinction in performance is made across Governmentwide SES ratings. This rule strives to increase the accuracy of SES ratings, consistent with 5 U.S.C. 4312(a)(1), by incorporating relative performance, thereby resulting in a more normalized SES ratings distribution. This rule also provides for increased conformity with 5 U.S.C. 3131(4) by emphasizing that only exceptional performers should be recognized with the highest ratings, as opposed to the vast majority of the SES population receiving the highest ratings.

Several commenters cautioned that allowing for a forced distribution of ratings could hinder retention of competent executives and deter talented individuals from joining the SES if they expect a Level 3 rating. Comments 07, 09, 16. For example, one commenter stated, "few would want to forego higher private sector salaries, knock themselves out for a few years while turning around a bureau or an agency, and then receive performance ratings of '3' each year because of forced distribution." Comment 07. Another commenter pointed out that engrained perceptions associated with the current rating labels could be an underlying issue that needs to be addressed. For instance, Level 3 "Fully Successful" likely has a certain connotation shared throughout the Federal Government. The commenter suggested that it might aid with the transition to a forced distribution to establish new rating labels to avoid executives "feeling like they are being graded lower than they

were previously for the same work." Comment 09.

OPM accepts that there may be connotations associated with various rating levels. However, OPM anticipates that one of the outcomes of this final rule will be a more normalized distribution of SES ratings, in which a rating of Level 3 will not be viewed as a poor rating, but rather a good rating that is valued. Because rating inflation has been allowed to persist for so long within the SES, it has created an environment devoid of meaningful distinctions in SES performance ratings where many senior executives now expect to receive the highest ratings without demonstrating superior performance relative to the other senior executives in their agency. Under a forced distribution, a truly exceptional senior executive who turns a low performing bureau or agency around into a high performing one should still expect to receive a Level 5 ("Outstanding") rating. OPM expects that high-potential executive talent will not be dissuaded from joining the SES under a system that utilizes a forced distribution and that is more likely to accurately differentiate the performance of its senior executives. Those who join the Federal Government often do so because they are driven by a public service motivation and belief in the agency's mission. A national survey conducted by the Partnership for Public Service in the spring of 2024¹⁵ found that 65% of U.S. adults agree that "working in the Federal Government is a good way for a person to serve their community." SES members are in positions to directly shape the direction of their agency and make positive impacts on their community and the Nation. Beyond the meaningful work, the SES offers a strong package of benefits, including competitive salaries, generous annual and sick leave programs, health and life insurance, access to the Federal Employees Retirement System, opportunities for executive development and training, and eligibility for rating-based performance awards. Agencies are able under the new SES appraisal system and plan to provide performance awards to executives who receive a Level 3 ("Satisfactory") rating, which will reinforce the value of that rating.

Two commenters voiced concern that forced distribution can be subject to "gaming" (Comments 09, 11), where

supervisors may choose to rotate who receives higher ratings regardless of performance, such as by categorizing employees who were retiring in the near future into the lowest performance category so that, if there were termination consequences, those affected would be employees retiring in the near future. Although one of the commenters applauded OPM's current regulatory effort to curb rating inflation, the commenter also stated that "all a percentage limit or quota on high ratings will get you is a [sic] an informal 'just wait your turn' rotation system. That sort of backdoor system gives a career executive a high performance rating every third year or so, when it's their 'turn' to be wonderful. And they're told 'be patient' when it isn't." Comment 11. These commenters suggested that, if forced distribution is implemented, OPM should add further reporting requirements to evaluate whether ratings are being rotated (Comment 09) or possibly utilize the President's Management Council (PMC) to evaluate agency performance "to ensure that an agency's individual SES performance ratings were generally consistent with a particular agency's overall performance." Comment 11.

OPM acknowledges that forced distribution, when not implemented with appropriate oversight or controls, could lead to an agency "gaming" the rating process by rotating which senior executives receive the highest rating levels. That would understandably demoralize top performers and undermine the intent of the rule—which is to ensure that only the truly deserving executives receive the highest rating levels and associated rewards. To ensure proper oversight over senior executive ratings, the President's January 20, 2025, memorandum on Restoring Accountability for Career Senior Executives required agencies to re-constitute their SES Performance Review Boards (PRBs) with individuals committed to full enforcement of the SES performance standards. OPM is confident the re-constituted PRBs will provide fair and accurate recommendations on SES annual summary ratings based on objective consideration of both individual and organizational performance. Additionally, under its February 25, 2025, memorandum on the new SES performance appraisal system and plan, OPM expects ratings to be aligned with and reflect organizational performance and for senior executives to be evaluated in part based on achieving organizational goals. Under the new system, there is also a provision that the

¹⁵ Partnership for Public Service, "Two-thirds of the public sees a job in the federal government as a good way to serve their community," (July 29, 2024) available at <https://ourpublicservice.org/blog/a-federal-government-job-is-a-good-way-to-serve-your-community/>.

President may waive the limits imposed by a forced distribution by certifying that the performance of the agency's executives was outstanding during the relevant time period. As such, we have not adopted in these regulations any new requirements to incorporate PMC oversight responsibilities or to establish additional reporting requirements on ratings distributions.

One individual commenter and the two labor organizations suggested alternatives to forced distribution and other recommendations for improving SES appraisal such as utilizing 360-degree reviews, robust feedback, and developmental coaching (Comment 15); requiring that SES have a variety of experience before entry into the SES (e.g., at multiple agencies and/or experience at state or local government) (Comment 23); requiring performance plans for political appointees (Comment 23); and by having performance plans linked to mission, assessing candidates against leadership-oriented skills in addition to technical competencies, and by requiring that performance appraisals be transparent, timely and linked to the executive's development plan (Comment 26). One of the labor organizations provided direct quotes from senior executives who shared their perspectives on performance management, with one executive stating, "The mechanisms for holding SES accountable already exist. The problem is that leadership has not exerted the fortitude necessary to confront non-performing SES and hold them accountable." Comment 26.

Many of the suggested alternatives to forced distribution are already in place and have been for years—but have failed to effectively address the fact that SES performance ratings do not meaningfully and reliably distinguish relative senior executive performance. For example, E.O. 13714, "Strengthening the Senior Executive Service," E.O. 13714, 80 FR 79225 (Dec. 15, 2015), requires that senior executives have executive development plans that include at least one leadership assessment involving employee feedback (such as a 360 degree-type review) every 3 years to provide feedback and inform the executive's developmental needs. Agencies continue to be expected to adhere to this requirement. OPM has also championed a coaching culture across the Federal workforce to support effective mission achievement and deliver improved services to the American people.¹⁶ Additionally, SES

performance appraisal regulations already require that both career and noncareer SES members receive performance plans containing critical elements based on validated executive leadership competencies¹⁷ and that align with results-oriented goals.¹⁸

SES are hired primarily for their possession of Executive Core Qualifications (ECQs) rather than for their technical expertise. These core qualifications are often attained through diverse experiences spanning across agencies and the public and private sectors. OPM's May 29, 2025, memorandum—*Hiring and Talent Development for the Senior Executive Service*¹⁹—overhauled the ECQs and SES candidate development programs to strengthen SES hiring and reform "broken, insular, and outdated" Federal hiring practices.²⁰ However, even within an elite cadre of senior executive performers, SES appraisal systems must provide for appraisal of all senior executives, including career and noncareer SES appointees, and produce accurate ratings that make meaningful distinctions based on relative performance. This is a statutory requirement for certifying an agency's SES performance appraisal system under 5 U.S.C. 5307(d). The regulations at 5 CFR 430, subpart D, establish the criteria for certifying SES performance appraisal systems and require alignment of senior executive performance plans with the agency's mission and other strategic goals and policy objectives, incorporation of robust feedback from customers and stakeholders, and transparency through consultation and oversight. Thus, while many mechanisms for holding SES accountable already exist, they have not translated into performance standards that accurately distinguish relative Senior Executive performance. This problem has persisted for years, as evidenced by consistently inflated SES ratings across the Federal Government, even for senior executives who demonstrably do not perform.²¹ Removing the prohibition of a forced distribution of SES ratings will create the conditions necessary to ensure raters

differentiate senior executives' performance.

One commenter suggested applying different forced distribution requirements for career and politically appointed employees, stating "It likely does not make sense to use stacked rankings that compare career and political candidates because of the differences in their service and background. There may be also an incentive to assign the high ratings to political appointees instead of career staff, regardless of performance, and then to more prominent political appointees over less prominent ones." Comment 09.

OPM agrees with the commenter's concerns. While the proposed regulations only addressed the removal of the categorical prohibition of a forced distribution and did not regulate any specific provisions for how an agency implements forced distribution, OPM incorporated into this final rule a provision clarifying that it may establish a forced distribution of SES ratings and that noncareer SES appointees may be excluded from such requirements, as determined by OPM. This provides flexibility for forced distribution requirements to be established, consistent with OPM guidance, in a manner that best supports rigor and accountability within the SES. Agency leadership decisions remain bound by the merit system principles (*See* 5 U.S.C. 2301(b)) and the prohibited personnel practices (*See* 5 U.S.C. 2302) which, among other things, obligate Federal agencies to implement personnel management such that all employees receive fair and equitable treatment without regard to political affiliation.

Another commenter suggested that OPM failed to address one of the primary drivers of GS level employees moving to the SES ranks—annual performance awards (*i.e.*, bonuses). That commenter claimed that a senior executive must get a Level 4 or 5 rating to receive a bonus and that, if a forced distribution is to be the practice going forward, senior executives who are "Fully Successful" (rated Level 3) should also receive a bonus, as it would also "provide some incentive for these employees to stay in their executive positions and continue to serve the American people in execution of the policies, practices and direction of the administration." Comment 12.

OPM agrees with the commenter's suggestion, with some clarification. SES performance awards are authorized under 5 U.S.C. 5384 for senior executives whose performance is determined to be at least Level 3 ("Fully

www.opm.gov/chcoc/transmittals/2018/coaching-federal-government_09-10-2018_508.pdf.

¹⁷ 5 CFR 430.305(a)(1).

¹⁸ 5 CFR 430.301(b)(2).

¹⁹ OPM, *Hiring and Talent Development for the Senior Executive Service* (May 29, 2025), available at <https://www.opm.gov/policy-data-oversight/latest-memos/hiring-and-talent-development-for-the-senior-executive-service/>.

²⁰ E.O. 14170, *Reforming the Federal Hiring Process and Restoring Merit to Government Service*, 90 FR 8621 (Jan. 30, 2025).

²¹ *See, supra*, footnote 4.

¹⁶ OPM, *Coaching in the Federal Government* (September 10, 2018), available at <https://www.opm.gov/policy-data-oversight/coaching-in-the-federal-government/>.

Successful”). It may be that the particular commenter’s agency has established an internal policy limiting performance awards to only those senior executives rated at Levels 4 and 5. However, that is not a Governmentwide policy. These regulations do not address SES awards programs. OPM’s February 25, 2025, memorandum on the new SES performance appraisal system and plan allows agencies to grant a 5% performance award to senior executives rated Level 3. This helps to support a culture shift in which a Level 3 rating reflects “Satisfactory” performance and is not viewed as a poor rating.

Two commenters, a labor organization, and the professional organization challenged OPM’s general conclusion that the large proportion of Level 4 and 5 ratings reflects an inherent miscalibration of the current rating system. Comments 04, 13, 19, 26. The professional organization highlighted that Congress intended, under the CSRA, that the SES should be established to provide agencies the necessary flexibility to recruit and retain the highly competent and qualified senior executives needed to provide effective management of agencies and their functions. The professional organization said, “It is not surprising that a group of employees deliberately selected to be highly qualified high performers would perform at a high level, if graded fairly on their own performance and not ‘graded on a curve.’” Comment 19. One of the commenters expressed a similar view, stating that “The data indicating high percentages of SES ratings at levels ‘Outstanding’ and ‘Exceeds Fully Successful’ could be interpreted as evidence of the high caliber of public service executives rather than a systemic failure.” Comment 13.

OPM is keenly aware that entry into the SES represents a significant achievement; it is a highly selective process that ensures only the most capable and accomplished individuals are admitted. However, the high caliber of the SES cadre does not justify assigning the highest performance ratings to all its members. Even within elite groups, there are variations in performance. Therefore, performance expectations should be equally rigorous to encourage excellence in performance as required by 5 U.S.C. 4312(a)(3) and result in meaningful distinctions in performance as required for SES performance appraisal system certification under 5 U.S.C. 5307(d).

A labor organization argued that “OPM’s rule is unsupported because it is based on no recent data or evidence about SES performance management.

No such data has been cited or released to the public or as part of the regulatory record.” Comment 26. The labor organization noted that OPM has not issued a report on SES ratings distributions to the public since 2015.

OPM previously disseminated an annual report titled, Report on Senior Executive Pay and Performance Appraisal Systems, which was last produced for FY 2016 and is publicly available.²² In the FY 2016 report, approximately 92% of SES Governmentwide were rated at Levels 4 and 5. Due to OPM resource constraints, the report was discontinued. For the purposes of preparing for this rulemaking, however, OPM analyzed SES ratings for the most recent completed fiscal year for which ratings data were available (FY23) and reported on those results in the NPRM’s Supplementary Information at 90 FR 18820. The FY23 data do not show meaningful distinctions being made, with approximately 96% of SES Governmentwide rated at Levels 4 and 5. Thus the FY23 data further demonstrate the continuing trend of SES members increasingly receiving Level 4 and 5 ratings, beginning with the 2015 GAO report (showing that between 2010 and 2013, 85% of SES were rated Level 4 or 5) and continuing with OPM’s FY 2016 report (showing that 92% of SES were rated Level 4 or 5). The FY 23 data represents yet another example of reported data showing that SES ratings continue to be extremely high.

Eliminating DEI Language From §§ 430.308 and 430.311

This final rule removes diversity, equity, and inclusion (DEI) language from the SES performance appraisal regulations at 5 CFR part 430, subpart C, consistent with President Trump’s Executive Order titled, “Ending Radical and Wasteful Government DEI Programs and Preferencing,” E.O. 14151, 90 FR 8339 (Jan. 29, 2025). This order directs the termination of all DEI policies, programs, and preferences in the Federal Government, under whatever name they appear.

The existing regulation at 5 CFR 430.308(d)(7) requires that “leadership effectiveness in promoting diversity, inclusion, and engagement” be taken into account as one of several factors in appraising senior executive performance. OPM is deleting paragraph (d)(7), thereby removing promotion of

DEI from the list of factors. This change is consistent with E.O. 14151 because paragraph (d)(7) conveys to both the senior executive and to the public that executives are expected (1) to promote a particular, controversial ideology throughout the government and (2) to promote policies, programs, and preferences throughout the Federal Government that the President has identified as wasteful and divisive.

Additionally, 5 CFR 430.311(a) imposed requirements pertaining to the membership of agency PRBs and encouraged agency heads “to consider diversity and inclusion in establishing their PRBs.” OPM is removing that language from the paragraph and, in its place, encouraging agency heads to consider selecting members that are committed to applying the requirements in the SES Performance Appraisal System and Plan and assuring an SES of the highest caliber, consistent with the Restoring Accountability Memo.

Comments were evenly split between those who generally support removing DEI language from the SES performance appraisal regulations and those who oppose removing it. Agencies and some members of the public voiced support for removing DEI for various reasons. Some agencies agreed with removing the DEI language because doing so aligns with the Trump Administration policy priorities around restoring accountability in the career SES and ending radical and wasteful government DEI programs and preferencing (See Comments 11, 14, 17, 27). One agency in support of removing the language stated that it would allow for more of a focus on “job-relevant criteria and measurable outcomes” (Comment 25), while another agency said that the current language “promoting diversity is likely to promote unlawful discrimination and that the proposal to remove that language is appropriate and necessary.” Comment 22. An individual commenter also strongly supported removing the DEI language stating, “DEI is counter-productive. As a taxpayer and citizen, I demand employees are hired based on merit and not on identity. Hiring by identity is a violation of civil right discrimination laws and produces inferior results that put public safety at risk. Or punishes people for their identity. It is not a constitutional right to be elevated in importance because of one’s identity.” Comment 21.

OPM agrees that race- and sex-based preferencing operating under the banner of “diversity, equity, and inclusion” have no place in the Federal Government and the changes being made in this final rule reflect a commitment to supporting the policies

²² OPM, “Report on Senior Executive Pay and Performance Appraisal Systems,” (January 2018) available at <https://www.opm.gov/policy-data-oversight/senior-executive-service/reference-materials/fy-2016-report-on-senior-executive-pay-and-performance-appraisal-systems/>.

of the Administration and upholding the Federal Government's merit-based hiring and performance evaluation system.

Several commenters opposed removing DEI language because they argue DEI represents essential values that contribute positively to the Federal Government, and that removing DEI language sends a regressive message undermining the importance of those values. *See* Comments 08, 10, 13. Additionally, one commenter said, "removing DEI language from SES appraisal undermines the public interest, reduces accountability for inclusive leadership, and directly contradicts decades of evidence that diverse, equitable leadership improves government performance and trust." Comment 15.

OPM disagrees that the race- and sex-based preferencing programs operating under the banner of "diversity, equity, and inclusion" represent essential values of the Federal Government. On the contrary, the Equal Protection Clause of the Constitution establishes the foundational principle that Government may never discriminate based on protected characteristics, including race, except in rare circumstances. As the Supreme Court articulated in *Students for Fair Admissions, Inc. v. President & Fellows of Harvard College* ("SFFA"), 600 U.S. 181, 206 (2023), the "core purpose" of the Equal Protection Clause is to "do away with all governmentally imposed discrimination based on race." The Court further emphasized that "eliminating racial discrimination means eliminating all of it."

One of the labor organizations, the professional organization, and one commenter disagreed with removing the DEI language on a legal basis. *See* Comments 16, 19, 26. Specifically, with regard to eliminating the performance appraisal factor at 5 CFR 430.308(d)(7), the labor organization asserted that OPM's conclusion was that the regulation is inconsistent with 5 U.S.C. 7201 and went on to say "It is hard to understand how OPM reaches this conclusion, based on the plain statutory language at 5 U.S.C. 7201(b) which states, 'It is the policy of the United States to insure equal employment opportunities for employees without discrimination because of race, color, religion, sex, or national origin.'" Comment 26.

It should be noted that 5 U.S.C. 7201(b) goes on to say, "The President shall use his existing authority to carry out this policy." 5 U.S.C. 7201(b). The removal of DEI language from 5 CFR 430.308(d)(7) and 5 CFR 430.311(a)

follows from and is consistent with President Trump's Executive Order titled, "Ending Radical and Wasteful Government DEI Programs and Preferencing," E.O. 14151, 90 FR 8339 (Jan. 29, 2025). This order directs the termination of all DEI policies, programs, and preferences in the Federal Government, under whatever name they appear. OPM is eliminating promoting DEI as an SES performance appraisal factor because making promoting DEI at work as a basis for evaluating SES performance is, at a minimum, confusing and contradictory in light of the President's Executive Order. It also may lead to the impression that executives should (1) be ideologically committed to DEI, when DEI is very controversial, condemned by the Trump Administration, and may lead to unlawful hiring practices, and (2) have leeway to engage in DEI practices that are unlawful as described in U.S. Equal Employment Opportunity Commission (EEOC)²³ and U.S. Department of Justice (DOJ) guidance.²⁴ OPM does not believe that 5 U.S.C. 7201 required this confusing performance appraisal factor at 5 CFR 430.308(d)(7). Furthermore, eliminating the promotion of "diversity" and "inclusion" as appraisal factors does not impede SES members from having their appraisal take into account equal employment opportunity requirements, or compliance with merit systems principles, as required by 5 U.S.C. 4313(5). Similarly, eliminating the requirement in § 430.308(d)(7) to promote "engagement" removes a redundant requirement. Engagement is already accounted for in SES appraisals. The new SES appraisal system and plan issued on February 25, 2025, includes standardized critical elements, one of which is titled "Holding Others Accountable and Treating them Fairly." This critical element includes requirements for SES to treat all employees fairly and consistent with their merit and competence, as well as obey laws regarding equal employment opportunity. OPM expects that all employees should receive fair and equitable treatment in all aspects of personnel management consistent with Merit System Principles, including 5 U.S.C. 2301(b)(2).

Commenters opposing the removal of DEI language in 5 CFR 430.311 did so mostly through statements that opposed

removing DEI language in general as opposed to targeting objections to OPM's changes to 5 CFR 430.311. In this final rule, OPM is amending the regulation on PRB membership so that agency heads are encouraged to select members that are committed to applying the requirements in the SES Performance Appraisal System and Plan and assuring an SES of the highest caliber. This replaces the current regulatory language encouraging agency heads to consider diversity and inclusion in establishing their PRBs. Any system that would inject racial considerations into who is chosen for a particular position at an agency—be it the PRB or anything else—would be in tension with *SFFA* as well as other cases such as *McDonald v. Santa Fe Trail Transp. Co.*, 427 U.S. 273, 280 (1976) and *Ricci v. DeStefano*, 557 U.S. 557 (2009). Therefore, OPM is not adopting any recommendations to retain DEI language or replace the eliminated language from 5 CFR 430.308 or 5 CFR 430.311 with other DEI language.

Expected Impact of This Rulemaking

A. Statement of Need

OPM is issuing this final rule pursuant to its authority to issue regulations governing performance appraisals in the SES in subchapter II of chapter 43 of title 5, United States Code. The purpose of this rulemaking is to provide a means by which only the highest performing SES members receive the highest performance ratings. Previous efforts²⁵ to promote rigor in SES performance appraisal by encouraging agencies to develop more stringent performance requirements have not resulted in significant changes to SES ratings distributions.

During the FY23 performance appraisal cycle, across 91 Federal agencies, the distribution of SES members' performance ratings was as follows: 64.3% (4608 members) were rated "Outstanding" at Level 5, 31.7% (2273 members) were rated "Exceeds Fully Successful" at Level 4, 3.6% (261 members) were rated "Fully Successful" at Level 3, 0.2% (15 members) were rated "Minimally Satisfactory" at Level 2, and 0.1% (10 members) were rated "Unsatisfactory" at Level 1.²⁶ The distribution of these ratings demonstrates that there continues to be inflation of SES performance ratings and that action must be taken in order to reset and infuse rigor into the SES performance appraisal process. As such, the removal of the prior prohibition of

²³ EEOC, *What You Should Know About DEI-Related Discrimination at Work* (March 19, 2025).

²⁴ U.S. Department of Justice, *Implementation of Executive Orders 14151 and 14173: Eliminating Unlawful DEI Programs in the Federal Operations* (March 21, 2025) available at <https://www.justice.gov/ag/media/1388501/dl?inline>.

²⁵ *See, supra*, footnote 14.

²⁶ *See, supra*, footnote 3.

forced distribution of SES ratings is necessary to enable the establishment and enforcement of limits on SES rating levels.

B. Impact

By applying a forced distribution of SES performance ratings, agencies and individual SES members will be held to a higher standard of accountability because there will be a pre-established limited number of higher performance ratings, thereby ensuring only the truly deserving performers are rewarded for their performance.

Removing the regulatory prohibition on forced distribution is an important first step towards recalibrating agencies' focus and efforts on ensuring meaningful distinctions in SES performance ratings. OPM expects that forced distribution will incentivize improved performance of SES members as they no longer will expect to receive the highest ratings without demonstrating superior performance relative to the other senior executives in their agency. This will ultimately improve the performance of the government in providing services to the American public.

C. Costs

This final rule is expected to affect the operations of more than 90 Federal agencies—ranging from cabinet-level departments to small independent agencies—that have employees in the SES. Individuals employed by these agencies will spend time updating agency SES performance appraisal policies and procedures during fiscal year 2025 to prepare for implementation in the fiscal year 2026 performance appraisal period. Typically, an agency's Executive Resources staff handles tasks associated with updating SES performance plans and refining policy documents. Therefore, for this cost analysis, the assumed average salary rate of Federal employees performing this work will be the rate in 2025 for GS-14, step 5, in the Washington, DC, locality pay table (\$161,486 annual locality rate and \$77.38 hourly locality rate). We assume the total dollar value of labor, which includes wages, benefits, and overhead, is equal to 200 percent of the wage rate, resulting in an assumed labor cost of \$154.76 per hour.

To comply with the regulatory changes in this rule, affected agencies must review the rule and update their policies and procedures. We estimate that, in the first year following publication of a final rule, this will require an average of 80 hours of work by employees with an average hourly cost of \$154.76 per hour. This should

result in estimated costs of about \$12,400 per agency and about \$1.1 million Governmentwide.

SES members revise their performance requirements each year as they develop their performance plans. OPM anticipates that adjusting their performance requirements to reflect the updated critical elements may take each executive slightly longer than usual in the first year. We estimate that this will require approximately 15 additional minutes in the first year of implementation compared to the time usually spent to develop performance requirements for the annual performance plan. Based on the average salary for the ES pay plan in September 2024 (most recent available data), we assume an average salary rate of \$207,313, or \$99.67 per hour.²⁷ We assume the total dollar value of labor, which includes wages, benefits, and overhead, is equal to 200 percent of the wage rate, resulting in an assumed labor cost of \$199.34 per hour. There are approximately 8,430 members of the SES corps in the executive branch. This results in a one-year, transitional increase in costs of about \$420,000 Governmentwide.

OPM anticipates that the overall implementation costs will be limited in duration and total about \$1.5 million. OPM did not receive any comments on its estimates of costs.

D. Benefits

The 2015 GAO report expressed that a cultural shift might be needed among agencies and employees to acknowledge that a rating of "Fully Successful" is already a high bar and should be valued and that "Outstanding" is a difficult level to achieve.²⁸ The application of a forced distribution within the SES performance appraisal system will reinforce the understanding that success as a senior executive is aligned to the appropriate rating at the "Fully Successful" level. By establishing a limit on the number of SES members who can receive a rating above the "Fully Successful" level, there will be a clear distinction of the highest performers across an agency and the Federal Government. Agencies will no longer be able to rate virtually all of their senior executives at the highest performance ratings, thus encouraging SES members to strive for increased levels of performance and ultimately provide better results for the government and the American public.

Consistent with the letter and intent of 5 U.S.C. 3131 and 4312(a), only truly deserving senior executives will be recognized and rewarded for excellent performance.

E. Regulatory Alternatives

OPM considered the alternative of not removing the prohibition on forced distribution and instead issuing further guidance encouraging agencies to be increasingly rigorous in their management of SES performance to promote meaningful distinctions in SES performance. However, previous attempts to achieve this result through guidance have not been successful in curbing inflated SES ratings; instead, it appears that the percentage of SES receiving Level 4 or 5 performance ratings has only increased. Without the ability to place limits on SES ratings, there will almost certainly continue to be a pervasive inflation of ratings and a lack of accountability and meaningful distinction in performance ratings throughout the SES.

OPM also considered the alternative of reinstating the review of SES performance plans by OPM as part of the SES performance appraisal system certification review process. Prior to the issuance of OPM's further streamlined performance appraisal system certification process in 2018, referred to as Certification 2.0, agencies were required to submit a sample of performance plans to OPM for review. OPM could revert to requiring agencies to submit SES performance plans for review to ensure that performance requirements are properly calibrated to established SES performance standards. OPM's practice of reviewing individual SES performance plans was abandoned under Certification 2.0 primarily due to the administrative burden that it placed on agencies and OPM. While the aim of this rule is to increase the performance of SES, OPM also must consider the mandate to deliver a government to the American people that is lean and efficient. Returning to the practice of OPM reviewing individual SES performance plans is not a practical alternative given the additional time required by OPM to review, and for agencies to make corrections to, SES performance requirements. In addition, it is unlikely that requiring OPM to individually certify agency SES performance plans would meaningfully shift the distribution of SES performance ratings in the absence of a repeal of the rule against forced distribution.

OPM received several comments that suggested alternatives to removing the prohibition on forced distribution.

²⁷ Average SES pay drawn from Office of Personnel Management FedScope data, available at <https://www.fedscope.opm.gov/>.

²⁸ *Supra*, footnote 2.

OPM's consideration of these alternatives is addressed in the discussion of comments. *See, e.g.*, the preceding discussion of comments 15, 23, and 26.

Regulatory Compliance

A. Regulatory Flexibility Act

The Director of OPM certifies that this rulemaking will not have a significant economic impact on a substantial number of small entities because it will apply only to Federal agencies and employees.

B. Regulatory Review

OPM has examined the impact of this rule as required by Executive Order 12866 and Executive Order 13563, which direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public, health, and safety effects, distributive impacts, and equity). A regulatory impact analysis must be prepared for major rules with economically significant effects of \$100 million or more in any one year. This rulemaking does not reach that threshold but has otherwise been designated a "significant regulatory action" under section 3(f) of Executive Order 12866. This final rule is not an Executive Order 14192 regulatory action because it does not impose any more than de minimis regulatory costs.

C. Federalism

This rulemaking will not have substantial direct effects on the States, on the relationship between the National Government and the States, or on distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, it is determined that this proposed rule does not have sufficient federalism implications to warrant preparation of a Federalism Assessment.

D. Civil Justice Reform

This rulemaking meets the applicable standards set forth in section 3(a) and (b)(2) of Executive Order 12988.

E. Unfunded Mandates Reform Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) requires that agencies assess anticipated costs and benefits before issuing any rule that would impose spending costs on State, local, or tribal governments in the aggregate, or on the private sector, in any 1 year of \$100 million in 1995

dollars, updated annually for inflation. That threshold is currently approximately \$206 million. This rulemaking will not result in the expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, in excess of the threshold. Thus, no written assessment of unfunded mandates is required.

F. Congressional Review Act

The Office of Management and Budget's (OMB) Office of Information and Regulatory Affairs has determined this rule does not meet the criteria listed in 5 U.S.C. 804(2). In addition, this is a rule related to agency management or personnel and agency practice or procedure that does not substantially affect the rights or obligations of non-agency parties and thus does not come within the meaning of the term "rule" as used in the Congressional Review Act. *See* 5 U.S.C. 804(3)(B), (C). Therefore, the reporting requirements of 5 U.S.C. 801 do not apply.

G. Paperwork Reduction Act

This regulatory action will not impose any reporting or recordkeeping requirements under the Paperwork Reduction Act.

List of Subjects in 5 CFR Part 430

Decorations, Government employees.
Office of Personnel Management.
Stephen Hickman,
Federal Register Liaison.

Accordingly, for the reasons stated in the preamble, OPM amends 5 CFR part 430 as follows:

PART 430—PERFORMANCE MANAGEMENT

■ 1. The authority citation for part 430 continues to read as follows:

Authority: 5 U.S.C. chapter 43 and 5307(d).

Subpart C—Managing Senior Executive Performance

■ 2. Amend § 430.305 by revising paragraph (a)(5) and adding paragraph (d) to read as follows:

§ 430.305 System standards for SES performance management systems.

(a) * * *

(5) Derive an annual summary rating through a mathematical method that ensures executives' performance aligns with level descriptors contained in performance standards that clearly differentiate levels above fully successful;

* * * * *

(d) OPM may establish, and refine as needed, a forced distribution of SES rating levels which agencies must apply when rating SES members, except that noncareer SES members may be excluded from such forced distribution requirements, as determined by OPM.

■ 3. Amend § 430.308 by:

■ a. Revising paragraph (d)(6);

■ b. Removing paragraph (d)(7); and

■ c. Redesignating paragraph (d)(8) as (d)(7).

The revision reads as follows:

§ 430.308 Appraising performance.

* * * * *

(d) * * *

(6) The effectiveness, productivity, and performance results of the employees for whom the senior executive is responsible; and

* * * * *

■ 4. Amend § 430.311 by revising paragraph (a)(1) to read as follows:

§ 430.311 Performance Review Boards (PRBs).

* * * * *

(a) * * *

(1) Each PRB must have three or more members who are appointed by the agency head, or by another official or group acting on behalf of the agency head. Agency heads are encouraged to choose individuals for each PRB committed to applying the SES Performance Appraisal System and Performance Plan and the requirements therein and promoting and assuring an SES of the highest caliber.

* * * * *

[FR Doc. 2025–17788 Filed 9–12–25; 8:45 am]

BILLING CODE 6325–39–P

DEPARTMENT OF AGRICULTURE

Farm Service Agency

7 CFR Part 760

[Docket ID FSA–2025–0005]

RIN 0560–AI72

Emergency Livestock Relief Programs

AGENCY: Farm Service Agency, U.S. Department of Agriculture (USDA).

ACTION: Final rule.

SUMMARY: The Farm Service Agency (FSA) is issuing this rule to implement the Emergency Livestock Relief Program (ELRP) 2023 and 2024 Flood and Wildfire (FW), which provides payments to eligible livestock producers for losses as a result of increased supplemental feed costs due to a qualifying flood or qualifying wildfire

(excluding wildfires on federally managed land) in calendar years 2023 and 2024. This rule specifies the administrative provisions, eligibility requirements, and payment calculations for ELRP 2023 and 2024 FW. This rule also amends the regulation for ELRP 2023 and 2024, which provides assistance for qualifying drought and qualifying wildfire on federally managed land, to specify that it has a combined payment limitation with ELRP 2023 and 2024 FW and to provide program deadlines.

DATES: This rule is effective on September 15, 2025. The deadline to submit an application for ELRP 2023 and 2024 FW is October 31, 2025. The deadline to submit all required eligibility forms for ELRP 2023 and 2024 and ELRP 2023 and 2024 FW is November 2, 2026.

FOR FURTHER INFORMATION CONTACT: Kathy Sayers; telephone: (202) 720-6870; email: Kathy.Sayers@usda.gov. Individuals with disabilities who require alternative means for communication should contact the USDA Target Center at (202) 720-2600 (voice and text telephone (TTY mode)) or dial 711 for Telecommunications Relay Service (both voice and text telephone users can initiate this call from any telephone).

SUPPLEMENTARY INFORMATION:

Background

Title I of the Disaster Relief Supplemental Appropriations Act, 2025 (Division B of the American Relief Act, 2025; Public Law 118-158; referred to as “the Act” in this document) provides “\$30,780,000,000, to remain available until expended, for necessary expenses related to losses of revenue, quality or production of crops (including milk, on-farm stored commodities, crops prevented from planting, and harvested adulterated wine grapes), trees, bushes, and vines, as a consequence of droughts, wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, winter storms, freeze, including a polar vortex, smoke exposure, and excessive moisture occurring in calendar years 2023 and 2024 under such terms and conditions as determined by the Secretary of Agriculture . . .”. From that amount, the Act directs the Secretary of Agriculture to use up to \$2 billion to provide assistance to livestock producers, as determined by the Secretary, for losses incurred during calendar years 2023 and 2024 due to drought, wildfires, or floods.

On May 29, 2025, FSA announced ELRP 2023 and 2024, which provides approximately \$1 billion in assistance to

eligible livestock producers for losses due to qualifying drought and qualifying wildfire using producer data already on file with FSA through participation in the Livestock Forage Disaster Program (LFP) (90 FR 22614). Assistance for losses due to qualifying wildfires from ELRP 2023 and 2024 is limited to qualifying wildfires occurring on federally managed land. This rule announces ELRP 2023 and 2024 FW, which will use the approximate \$940 million in funding remaining of the \$2 billion authorized to assist eligible livestock producers who incurred losses as a result of increased supplemental feed costs due to a qualifying flood or qualifying wildfire in calendar years 2023 and 2024. ELRP 2023 and 2024 FW assistance for wildfires is available only on non-federally managed land, and this requirement is not applicable to qualifying floods.

Severe floods and wildfires in 2023 and 2024 disrupted feed availability and worsened forage conditions in major livestock-producing regions, particularly impacting the dairy and beef cattle sectors. These events, on both public and private land, strained local feed markets, increased supplemental feed costs for livestock producers, and reduced livestock productivity including milk production and livestock weaning weights. In 2023 and 2024, just under 11.5 million acres were affected by wildfires in the United States, according to the National Oceanic and Atmospheric Administration’s (NOAA’s) Annual Wildfires Reports.¹ In March 2024, five wildfires were contained in the Texas Panhandle, the largest cattle-producing region in the world. These wildfires resulted in approximately 1.1 million scorched acres, hundreds of destroyed structures, hundreds of miles of ruined fencing, and more than 7,000 dead cattle.² During July 2023 and continuing into 2024, heavy rains and flash floods swept across the nation, inundating large portions of the country, particularly in the Northeast, Southeast, and Midwest. California was severely impacted by floods in 2023 due to atmospheric rivers, while Hurricanes Helene and Milton caused widespread flash flooding in the Southeast in 2024. These

¹ See NOAA National Centers for Environmental Information, Monthly Wildfires Report for Annual 2023, available at <https://www.ncei.noaa.gov/access/monitoring/monthly-report/fire/202313>, and Monthly Wildfires Report for Annual 2024, available at <https://www.ncei.noaa.gov/access/monitoring/monthly-report/fire/202413>.

² NOAA, Assessing the U.S. Climate in March 2024, available at <https://www.ncei.noaa.gov/news/national-climate-202403>.

extreme weather events had widespread effects including:

- Disruptions to infrastructure (roads being impassable or washed out) and to local feed supply chains, causing delays and increased transportation costs to deliver feed products to livestock producers;
- Increased feed costs for livestock producers and difficulty in securing replacement feed due to reduced crop quality or outright crop failure; and
- Degraded livestock performance (including reduced production and lower weaning weights), especially among dairy cattle, as a result of low-quality feed and feed ration inconsistencies.³

Unlike losses due to drought and losses due to wildfire on federally managed land, which were covered under the LFP and the previous ELRP 2023 and 2024, the new ELRP 2023 and 2024 FW compensates eligible livestock producers for losses due to qualifying floods, and qualifying wildfires on non-federally managed lands, that LFP and other Federal programs do not cover.

ELRP 2023 and 2024 FW will compensate eligible livestock producers for the equivalent of 60 percent of:

- 1 month of the calculated monthly feed costs for the producer’s eligible covered livestock inventories for a qualifying wildfire; and
- 3 months of the calculated monthly feed costs for the producer’s eligible covered livestock inventories for a qualifying flood.

While both qualifying disaster events are significant, the 3-month time period used for calculating payments for a qualifying flood will address both short-term and long-term feed needs resulting from the impact a qualifying flood has to the agricultural landscape, including the likely delay associated with bringing the flood impacted land back into production for livestock forage or grazing needs. The 1-month time period used for calculating payments for a qualifying wildfire is intended to address immediate feed needs and short-term impacts to the affected acres impacted by the qualifying wildfire. While wildfire destroys existing cover present on the landscape, it does not typically require extensive rehabilitation to support the regeneration of grazing acres or forage production like that of flood affected acres. The monthly feed costs are calculated based on the kind, type, and weight class, if applicable, for the

³ See the ELRP 2023 and 2024 FW Cost Benefit Analysis (CBA). To obtain a copy of the ELRP 2023 and 2024 FW CBA, search by docket number FSA-2025-0005 using the search box on <https://www.regulations.gov/>.

livestock at the time of the qualifying event using the same monthly feed cost calculation used for LFP.⁴ FSA's use of a standard monthly feed cost calculation, based on 1 month for qualifying wildfire or 3 months for qualifying flood, streamlines program delivery by minimizing the amount of information a producer must submit and reduces the burden on producers to produce records of supplemental feed costs during an application period that is months or years after the qualifying disaster events. This approach is similar to LFP, which provides assistance based on the occurrence and severity of drought as verified by the U.S. Drought Monitor.

FSA cannot determine eligible producers and payment amounts using producer data that is already on file as a result of participation in other programs; therefore, livestock producers will be required to submit an application for ELRP 2023 and 2024 FW. Although FSA was able to use data previously reported to FSA to streamline administration and identify program demand for ELRP 2023 and 2024, FSA is unable to determine the total number of eligible applicants and resulting program demand for ELRP 2023 and 2024 FW with existing data on file, and therefore requires eligible livestock producers to apply for assistance. Due to the need to evaluate program demand, FSA will not issue payments at the onset of the application period. Payments are expected to be factored because program demand is anticipated to exceed the amount of funding available.⁵

Producer Eligibility

To be eligible for ELRP 2023 and 2024 FW, a livestock producer must have owned, leased, purchased, entered into a contract to purchase, or was an eligible contract grower of eligible covered livestock on the beginning date of the qualifying disaster event; and suffered an eligible loss due to a qualifying disaster event, as described below. Eligible producers may receive payment for 1 or both years, and they may receive payments for multiple

qualifying disaster events, if applicable, not to exceed the equivalent of 3 months of assistance per producer, per physical location county of the qualifying disaster event, per program year.

Eligible livestock producers for ELRP 2023 and 2024 FW do not include livestock auction facilities, operations in the business of housing livestock on a day-to-day basis (including but not limited to preparing livestock for sale or export) or those whose business is to buy and sell livestock from various sources, only serving as an intermediary between livestock producers and buyers. As with LFP, livestock located in commercial feedlots or feedyards (livestock in the final stage of production before slaughter) are not eligible for ELRP 2023 and 2024 FW.

Forage quality is important at varying livestock development levels to both dairies and feedlots; however, forage serves a different purpose in dairy versus feedlot feed rations. Dairies rely on high quality forage for healthy rumen for optimizing milk production while forage needs for feedlots focus on fiber and calories for cattle growth. Cattle feeding operations have a broader opportunity to balance and alter their feed sources to meet energy needs (such as feed grains, silage, and earlage) and fiber needs (such as dry hay, cover crops, and sorghum silage) in their rations, versus dairies, which typically require high-quality alfalfa. By far the most important hay crop fed to dairy cattle in the United States is alfalfa. Alfalfa provides a significant amount of energy, which is essential for milk production and reproduction in dairy cows. Dairy utilization may account for 75 to 80 percent of the utilization of alfalfa in the major dairy States, such as California, Wisconsin, New York, Idaho, and New Mexico.⁶ Alfalfa is bulky and expensive to transport, so when a livestock producer's fields are impacted by disaster, it can become difficult or impossible to secure this critical feed.

Consistent with other disaster programs including ELRP, ELRP 2022, ELRP 2023 and 2024, the Emergency Relief Program (ERP), ERP 2022, 2017 Wildfire and Hurricane Indemnity Program (WHIP), and WHIP+, the average adjusted gross income (AGI) limitation is not applicable to ELRP 2023 and 2024 FW.

Eligible Loss

Eligible losses for ELRP 2023 and 2024 FW are losses due to increased supplemental feed costs as a result of the qualifying disaster event that occurred in calendar year 2023 or 2024, if the eligible livestock producer, as of the beginning date of the qualifying disaster event, was an owner, operator, landlord, tenant, sharecropper, or eligible contract grower who shares in the risk of producing covered livestock and who is entitled to a share in the eligible covered livestock, physically located in the county affected by the qualifying disaster event, or that normally would have been physically located in that county in the absence of the qualifying disaster event, as described below.

Qualifying Disaster Event

Qualifying disaster events for ELRP 2023 and 2024 FW include qualifying floods and qualifying wildfires that occurred in calendar year 2023 or 2024. "Qualifying flood" means a severe and extreme flooding event that causes widespread destruction, significant property and crop damage, livestock loss and displacement, and major economic loss to infrastructure and the environment, typically overwhelming local flood defenses and response systems. "Qualifying wildfire" means an unplanned, unwanted wildfire burning in natural areas like forests, grasslands, or brushlands, on non-federally managed lands. These wildfires can be started by natural causes like lightning, or human activities, and they consume vegetation and spread based on environmental conditions. A qualifying wildfire does not include fires that were planned, intentional, or prescribed burns. Wildfires on federally managed lands are not included because they were covered under ELRP 2023 and 2024.

To streamline program delivery and reduce the burden on applicants, FSA has confirmed that qualifying floods and qualifying wildfires have occurred in many counties based on disaster designations (including Secretarial disaster designations, Presidential declarations, and FSA Administrator's physical loss notifications), weather data, and reported economic impacts. For losses in these affected counties, which have been approved by the Deputy Administrator, livestock producers are not required to submit supporting documentation of the qualifying disaster event. A list of counties approved by the Deputy Administrator is available in FSA county offices and at [https://](https://www.regulations.gov)

⁴ Monthly feed costs are based on a feed grain equivalent that is calculated according to 7 CFR 1416.207, as specified in 7 U.S.C. 9081(c), which uses the higher of the national average corn price per bushel for the 12- or 24-month period immediately preceding March 1 of the calendar year. For 2023, the monthly value of forage resulted in an LFP payment rate of \$58.12 for 2023 and \$52.56 for 2024 per eligible one animal unit per month. See also Table 2.

⁵ See the ELRP 2023 and 2024 FW Cost Benefit Analysis (CBA). To obtain a copy of the ELRP 2023 and 2024 FW CBA, search by docket number FSA-2025-0005 using the search box on <https://www.regulations.gov>.

⁶ Higginbotham, G.E. et al., Chapter 17, "Alfalfa Utilization for Livestock," in *Irrigated Alfalfa Management in Mediterranean and Desert Zones*, edited by C.G. Summers and D.H. Putnam, University of California Agriculture and Natural Resources Publication 8303, 2008 (available at <http://alfalfa.ucdavis.edu/IrrigatedAlfalfa>).

www.fsa.usda.gov/resources/programs/emergency-livestock-relief-program-elrp.

For losses in counties that have not been approved by the Deputy Administrator, livestock producers must provide supporting documentation to substantiate that a qualifying flood or qualifying wildfire occurred in the county where their livestock were physically located, and eligibility is subject to the county committee's determination that the disaster event meets the specific criteria established for a qualifying flood or qualifying wildfire eligibility. Acceptable documentation includes but is not limited to: photographs that document the impact that a qualified disaster event had on the producer's livestock, showing damage to land and property; documentation that indicates economic losses, loss and displacement of livestock, and damage to infrastructure; insurance documentation; reports of a declared emergency area by local, State, or Federal authorities; any documentation that supports long term recovery needs such as debris removal or property or land repair; news articles; NOAA storm event database records; other FSA disaster program participation records; and any other documentation determined acceptable by the county committee.

Eligible Livestock

Eligible covered livestock, as of beginning date of the qualifying flood or qualifying wildfire, must:

- have been physically located in the county in which the qualifying flood or qualifying wildfire occurred; or
- have normally been physically located in the county in the absence of the qualifying disaster event on or after the disaster event; or were livestock physically relocated from the county due to the imminent threat of the qualifying flood or qualifying wildfire.

For example, a qualifying wildfire, according to the Administrator's Physical Loss Notification (APLN), occurred in Roberts County, Texas on March 8, 2024. "Livestock Producer A"

had a grazing lease for adult beef cattle in Roberts County beginning on January 1, 2024 for the calendar year, however, as a result of the threat of the Smokehouse Creek Fire in the neighboring county, "Livestock Producer A" made the management decision to move the livestock for safety purposes to another feeding facility in Sherman County on March 4, 2024, four days prior to the qualifying wildfire reaching Roberts County, and as a result incurred increased supplemental feed costs. "Livestock Producer A" would report on the ELRP 2023 and 2024 FW application that the beginning date of the qualifying wildfire event in Roberts County occurred on March 8, 2024, and report the number of eligible covered livestock in inventory on March 8, 2024.

Categories of eligible covered livestock for ELRP 2023 and 2024 FW are consistent with the kind, type, and weight class of eligible livestock for LFP⁷ and previous ELRP programs (that is, livestock that receive 50 percent or more of their nutritional needs from forage). This includes weaned beef cattle, dairy cattle, beefalo, buffalo, bison, alpacas, deer, elk, emus, equine, goats, llamas, ostriches, reindeer, or sheep.

Eligible livestock producers must provide documentation to support the number of livestock in inventory, as of the beginning date of the qualifying disaster event as reported on FSA-970, at the time of application.

How To Apply

The application period begins on September 15, 2025. To be eligible for an ELRP 2023 and 2024 FW payment, a livestock producer must submit the following by October 31, 2025, the ELRP 2023 and 2024 FW application period deadline:

- FSA-970, Emergency Livestock Relief Program (ELRP) 2023 and 2024 Flood and Wildfire (FW) Application;
- Supporting documentation of livestock inventories reported on FSA-970;
- Supporting documentation of the qualifying disaster events reported on

FSA-970, for a flood or wildfire in a county not approved by the Deputy Administrator as described above;

- Supporting documentation to establish or update FSA's farm records to support and verify the livestock producer's physical location of their livestock, if applicable; and
- Contract Grower Agreement, if applicable.

Applicants will submit 1 application for each program year, as applicable. Applicants must also submit the following forms to FSA by November 2, 2026, for each applicable program year to be eligible for payment:

- CCC-902, Farm Operating Plan, for an individual or legal entity as provided in 7 CFR part 1400;
- CCC-901, Member Information for Legal Entities, if applicable;
- AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification, for the participant and applicable affiliates as provided in 7 CFR part 12; and
- FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs, accompanied by a certification from a certified public accountant or attorney as to that person or legal entity's certification, for participants and members of legal entities to be eligible for the increased payment limitation of \$250,000, if applicable.

Payment Calculation

Certain livestock disaster programs, such as LFP and the Emergency Livestock Assistance Program (ELAP), have already established the cost to sustain livestock for 1 month based on 1 animal unit (AU). The industry standard for 1 AU is one mature, 1,000 pound cow with or without a calf. This is a measurement used to standardize the forage needs of different types of livestock. The AU conversion rates for all covered livestock, based on livestock kind, type, and weight class, are consistent with the conversion rates established for LFP.

TABLE 1—STANDARD AU CONVERSION CHART USED FOR LFP AND ELRP PROGRAMS

Animal type	Animal unit
Dairy Cow or Bull	2.6
Beef, Buffalo, or Beefalo Adult Cow or Bull	1.00
Equine	.74
Dairy Cattle, Beef Cattle, Buffalo, or Beefalo 500 lbs. or more	.75
Dairy Cattle, Beef Cattle, Buffalo, or Beefalo less than 500 lbs	.50
Deer	.25
Sheep or Goats	.25

⁷ As provided in 7 CFR 1416.204(b) and publicized by FSA in the Livestock Forage Disaster

Program Fact Sheet (May, 2025), available at

<https://www.fsa.usda.gov/tools/informational/fact-sheets/livestock-forage-disaster-program-lfp>.

TABLE 1—STANDARD AU CONVERSION CHART USED FOR LFP AND ELRP PROGRAMS—Continued

Animal type	Animal unit
Reindeer	.22
Alpaca	.22
Llama	.36
Ostrich	.55
Emu	.51
Elk	.54

For ELRP 2023 and 2024 FW, eligible livestock producers will receive a payment for losses due to increased supplemental feed costs for qualifying disaster events using the same monthly

feed cost calculation used for LFP, equal to the amount of feed grain equivalent, as determined in 7 CFR 1416.207. ELRP 2023 and 2024 FW will compensate eligible livestock producers the

equivalent of 60 percent of 1 month of calculated monthly feed costs for a qualifying wildfire and 3 months for a qualifying flood.

TABLE 2—EXAMPLE OF FSA ESTABLISHED MONTHLY FEED COSTS FOR ADULT BEEF AND DAIRY CATTLE AND THE CORRESPONDING ELRP 2023 AND 2024 FW PAYMENT RATES

Program year	Livestock type and animal unit conversion	Monthly feed costs (as established for LFP)	ELRP 2023 and 2024 FW Wildfire Payment Rates per head (60 percent of 1 month of feed costs prior to payment factor)	ELRP 2023 and 2024 FW Flood Payment Rates per head (60 percent of 3 months of feed costs prior to payment factor)
2023	Beef Cow (1 AU)	\$58.12	\$34.87	\$104.61
2023	Dairy Cow (2.6 AU)	151.12	90.67	272.01
2024	Beef Cow (1 AU)	52.56	31.54	94.62
2024	Dairy Cow (2.6 AU)	136.66	82.00	246.00

The following is the ELRP 2023 and 2024 FW payment calculation:

Step A:

(1) The number of eligible covered livestock (by livestock kind/type/weight) on the beginning date of the qualifying disaster event, multiplied by;

(2) The producer's share of the reported livestock, multiplied by;

(3) The ELRP 2023 or 2024 FW Wildfire Payment Rate, which equals 1 month of calculated monthly feed costs, or the ELRP 2023 or 2024 FW Flood Payment Rate, which equals 3 months of calculated monthly feed costs.

Step B: The resulting number obtained from the multiplication of (1), (2), and (3) equals the gross ELRP 2023 or 2024 FW payment. This number is

then multiplied by a payment factor, if applicable, to be determined by the Deputy Administrator, to arrive at the ELRP 2023 and 2024 FW payment. A payment factor will be applied to ensure that total payments do not exceed the available funding.

The ELRP 2023 and 2024 FW Payment Rates used in Step A (3) will be equal to 60 percent of the calculated monthly feed cost per 1 AU for 1 month for the applicable calendar year for a qualifying wildfire and 60 percent of the calculated monthly feed cost per 1 AU for 3 months for the applicable calendar year for a qualifying flood.

The following is an example of the payment calculation for ELRP 2023 and 2024 FW for a loss due to a qualifying

flood in calendar year 2024. An eligible livestock producer was directly impacted by a qualifying flood in Alleghany County, North Carolina, on September 27, 2024, due to Hurricane Helene. This disaster destroyed feed that had been purchased and limited livestock grazing, causing the producer to purchase additional supplemental feed to sustain the producer's livestock. The producer provided documentation that the producer owned 250 head of adult beef cattle in inventory on the beginning date of the qualifying flood. The following illustrates the gross ELRP 2024 FW payment calculation for this eligible livestock producer, before application of a payment factor, if applicable:

TABLE 3—GROSS ELRP 2024 FW (FLOOD) PAYMENT CALCULATION EXAMPLE

Livestock kind, type, and weight of livestock	Number of livestock in inventory on the beginning date of disaster event	× ELRP 2024 FW (flood) payment rate	= Gross ELRP 2024 FW payment before payment Factor, as applicable
Beef Cattle, Adult Cows and Bulls	250	\$94.62	\$23,655.00

FSA will not issue payments at the beginning of the application period. However, during the application period, the Deputy Administrator will evaluate program demand and if an initial payment factor can be established, payments may begin to be processed.

After the application period, FSA will determine a final payment factor, if applicable, to be applied to the gross ELRP 2023 and 2024 FW payment calculation described above to ensure payments do not exceed the funding authorized by the Act. The final

payment factor will be announced in a USDA press release.

Payment Limitation

As required by the Act, ELRP 2023 and 2024 FW is subject to payment limitations consistent with 7 CFR

760.1507, as in effect on December 21, 2024. Separate payment limitations apply to each program year (2023 and 2024). For payment limitation purposes, payments under ELRP 2023 and 2024 FW and the previous ELRP 2023 and 2024 will be combined for each program year, consistent with the combined payment limitation used for each program year of the Emergency Relief Program (ERP) Phase 1 and Phase 2, ELRP and ELRP Phase 2, and ERP 2022 Tracks 1 and 2. Therefore, producers who have received the maximum payment amount for a program year under ELRP 2023 and 2024, based on their applicable payment limitation, will not be eligible to receive an additional payment under ELRP 2023 and 2024 FW for the same program year.

The payment limitation is determined by the person's or legal entity's average adjusted gross farm income. Specifically, a person or legal entity, other than a joint venture or general partnership, cannot receive, directly or indirectly, more than \$125,000 for each program year if their average adjusted gross farm income is less than 75 percent of their average adjusted gross income (AGI) for the applicable base period. If at least 75 percent of the person or legal entity's average AGI is average adjusted gross farm income and the participant provides the required certification and documentation, as discussed below, the person or legal entity, other than a joint venture or general partnership, is eligible to receive, directly or indirectly, up to \$250,000 for each program year.

Average adjusted gross farm income includes income derived from farming, ranching, and forestry operations, which has the same meaning for ELRP 2023 and 2024 FW as in other recent FSA programs such as ELRP 2023 and 2024, the Supplemental Disaster Relief Program (SDRP), ERP, ERP 2022, ELRP, and ELRP 2022. If the average adjusted gross farm income derived from the items listed in the definition of "income derived from farming, ranching, and forestry operations" (7 CFR 760.2102) is at least 66.66 percent of the average adjusted gross income of the person or legal entity, then the average adjusted gross farm income may also take into consideration income or benefits derived from the sale, trade, or other disposition of equipment to conduct farm, ranch, or forestry operations, and the provision of production inputs and production services to farmers, ranchers, foresters, and farm operations. Inclusion of those items and benefits in this manner was first introduced by section 1604 of the Food Conservation and Energy Act of 2008 (Pub. L. 110–

234), which amended section 1001D of the Farm Security and Rural Investment Act of 2002 (Pub. L. 107–171). This provision has been applied in other recent FSA and Commodity Credit Corporation programs that use a producer's average adjusted gross farm income for payment eligibility or payment limitation purposes.

As provided in 7 CFR 1400.105, a payment made to a legal entity will be attributed to those members who have a direct or indirect ownership interest in the legal entity unless the payment to the legal entity has been reduced by the proportionate ownership interest of the member due to that member's ineligibility. As in other FSA programs, attribution of payments made to legal entities will be tracked through four levels of ownership as follows:

- First level of ownership—any payment made to a legal entity that is owned in whole or in part by a person will be attributed to the person in an amount that represents the direct ownership interest in the first level or payment legal entity;⁸
- Second level of ownership—any payment made to a first-level legal entity that is owned in whole or in part by another legal entity (referred to as a second-level legal entity) will be attributed to the second-level legal entity in proportion to the ownership of the second-level legal entity in the first-level legal entity; if the second-level legal entity is owned in whole or in part by a person, the amount of the payment made to the first-level legal entity will be attributed to the person in the amount that represents the indirect ownership in the first-level legal entity by the person;
- Third and fourth levels of ownership—except as provided in the second level of ownership bullet above and in the fourth level of ownership bullet below, any payments made to a legal entity at the third and fourth levels of ownership will be attributed in the same manner as specified in the second level of ownership bullet above; and
- Fourth level of ownership—if the fourth level of ownership is that of a legal entity and not that of a person, a reduction in payment will be applied to the first-level or payment legal entity in

⁸ The "first level or payment legal entity" is the highest level of ownership of the applicant to whom payments can be attributed or limited. There will be a reduction applied for the "first level or payment legal entity," and if the payment entity happens to be a joint venture, that reduction is applied to the first level, or highest level, for payments. If the applicant is a business type that does not have a limitation or attribution, the reduction is applied to the first level, but if the business type can have the reduction applied directly to it, then the limitation applies.

the amount that represents the indirect ownership in the first level or payment legal entity by the fourth-level legal entity.

If an individual or legal entity is not eligible to receive ELRP 2023 and 2024 FW payments due to the individual or legal entity failing to satisfy payment eligibility provisions, the payment made either directly or indirectly to the individual or legal entity will be reduced to zero. The amount of the reduction for the direct payment to the producer will be commensurate with the direct or indirect ownership interest of the ineligible individual or ineligible legal entity.

Like other programs administered by FSA, payments made to an Indian Tribe or Tribal organization, as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304), will not be subject to payment limitation.

Payments made directly or indirectly to a person who is a minor child will not be combined with the earnings of the minor's parent or legal guardian.

ELRP 2023 and 2024

ELRP 2023 and 2024 was announced on May 29, 2025 (90 FR 22614). This rule amends § 760.2004 to provide that October 31, 2025 is the final date for a producer to have an approved LFP application on file for the 2023 or 2024 program year to receive an ELRP 2023 and 2024 payment, and all payment eligibility forms must be submitted to FSA by November 2, 2026. It also amends the payment limitation provisions of ELRP 2023 and 2024 in 760.2006(a). As described above, payments will be combined for payment limitation purposes for ELRP 2023 and 2024 and ELRP 2023 and 2024 FW.

Notice and Comment and Effective Date

The Administrative Procedure Act (APA, 5 U.S.C. 553(a)(2)) provides that the notice and comment and 30-day delay in the effective date provisions do not apply when the rule involves specified actions, including matters relating to benefits or contracts. This rule governs disaster assistance payments to agricultural producers and therefore falls within the benefits exemption.

This rule is exempt from the regulatory analysis requirements of the Regulatory Flexibility Act (5 U.S.C. 601–612), as amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA) because it involves matters relating to benefits. The requirements for the regulatory flexibility analysis in 5 U.S.C. 603 and 604 are specifically tied to the

requirement for a proposed rule by section 553 or any other law; in addition, the definition of rule in 5 U.S.C. 601 is tied to the publication of a proposed rule.

The Office of Management and Budget (OMB) found this rule meets the criteria in 5 U.S.C. 804(2) of the Congressional Review Act (CRA), which would ordinarily necessitate delaying its effective date for 60 days (5 U.S.C. 801(a)(3)(A)). However, the CRA, at 5 U.S.C. 808(2) allows an agency to make such regulations effective immediately if the agency finds there is good cause to do so. USDA has determined that such good cause exists here. The beneficiaries of this rule are livestock producers who have incurred losses as a result of increased supplemental feed costs due to qualifying floods and qualifying wildfires in calendar years 2023 and 2024, and this assistance is necessary to help those producers sustain their normal business operations. To mitigate further harm to livestock producers for losses due to qualifying events that were beyond their control, USDA finds that notice and public procedure are contrary to the public interest. Therefore, USDA is not required to delay the effective date for 60 days from the date of publication to allow for Congressional review. Accordingly, this rule is effective upon publication in the **Federal Register**.

Executive Orders 12866, 13563, and 14192

Executive Order 12866, “Regulatory Planning and Review,” and Executive Order 13563, “Improving Regulation and Regulatory Review,” direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasized the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. Executive Order 14192 “Unleashing Prosperity Through Deregulation” announced the Administration policy to significantly reduce the private expenditures required to comply with Federal regulations to secure America’s economic prosperity and national security and the highest possible quality of life for each citizen and to alleviate unnecessary regulatory burdens placed on the American people. In line with the Executive Order requirements, the Agency chose this regulatory approach, which uses monthly feed costs and

conversion rates previously established for LFP and does not require documentation of qualifying disaster events in certain counties identified by the Deputy Administrator, to maximize benefits and minimize burden on American producers. The requirements in Executive Orders 12866 and 13563 for the analysis of costs and benefits apply to rules that are determined to be significant or economically significant. This rule is not an E.O. 14192 regulatory action because it does not impose any more than de minimis regulatory costs.

The Office of Management and Budget (OMB) designated this rule as economically significant under Executive Order 12866 section 3(f)1 and therefore, OMB has reviewed this rule. The costs and benefits of this rule are summarized below. The full CBA is available on [regulations.gov](https://www.regulations.gov).

Cost Benefit Analysis Summary

ELRP 2023 and 2024 FW compensates eligible livestock producers in qualifying disaster-affected areas who faced increased supplemental feed costs due to degraded forage conditions from qualifying flood, or qualifying wildfire on non-federally managed land, in 2023 and 2024. To ensure rapid assistance, payments will be calculated based on a simplified formula: eligible producers will be compensated for the equivalent of 60 percent of 1 month of the calculated monthly feed costs for the producer’s livestock inventories for a qualifying wildfire and 3 months of the calculated monthly feed costs for a qualifying flood. The monthly feed costs are calculated based on the kind, type, and weight class, if applicable, for the livestock at the time of the qualifying event using the same monthly feed cost calculation used for LFP. Payments will be issued after the program application period deadline, subject to adjustment using a payment factor to keep total costs within the available funding.

Estimated ELRP 2023 and 2024 FW costs total \$2.45 billion before payment factoring: about \$1.01 billion for 2023 floods, \$1.08 billion for 2024 floods, \$17 million for 2023 wildfires, and \$120 million for 2024 wildfires. In addition, the sum of those numbers is increased by 10 percent to account for livestock in counties without formal Secretarial, Presidential, or APLN Disaster Designations that may have experienced a qualifying disaster event and to account for all other eligible animals. Payments are expected to be factored as estimated program demand is anticipated to exceed available funds. The majority of payments are expected to be made in FY 2026.

Environmental Review

The environmental impacts have been considered in a manner consistent with the provisions of the National Environmental Policy Act (NEPA, 42 U.S.C. 4321–4347) and the USDA regulation for compliance with NEPA (7 CFR part 1b).

The purpose of ELRP 2023 and 2024 Flood and Wildfire is to provide assistance to eligible livestock producers for losses incurred due to increased supplemental feed costs from a qualifying flood or qualifying wildfire in calendar year 2023 and 2024. The limited discretionary aspects of this program do not have the potential to impact the human environment as they are administrative. Accordingly, these discretionary aspects are covered by the FSA Categorical Exclusions specified in § 1b.4(c)(16)(viii) that apply to individual farm participation in FSA programs where no ground disturbance or change in land use occurs as a result of the proposed action or participation, and § 1b.(c)(16)(ix) that applies to safety net programs.

No Extraordinary Circumstances (§ 1b.3(f)) exist because these are administrative payment programs. As such, the implementation of and participation in ELRP 2023 and 2024 Flood and Wildfire do not constitute major Federal actions that would significantly affect the quality of the human environment, individually or cumulatively. Therefore, FSA will not prepare an environmental assessment or environmental impact statement for this action and, consistent with § 1b.3(g), this document serves as the programmatic finding of applicability and no extraordinary circumstance (FANEC) for this Federal action.

Executive Order 13175

This rule has been reviewed in accordance with the requirements of Executive Order 13175, “Consultation and Coordination with Indian Tribal Governments.” Executive Order 13175 requires Federal agencies to consult and coordinate with Tribes on a Government-to-Government basis on policies that have Tribal implications, including regulations, legislative comments or proposed legislation, and other policy statements or actions that have substantial direct effects on one or more Indian Tribes, on the relationship between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes.

USDA has assessed the impact of this rule on Indian Tribes and determined that this rule does not, to our

knowledge, have Tribal implications that required Tribal consultation at this time. If a Tribe requests consultation, the USDA Farm Service Agency will work with the Office of Tribal Relations to ensure meaningful consultation is provided.

Unfunded Mandates Reform Act

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA, Pub. L. 104–4) requires Federal agencies to assess the effects of their regulatory actions of State, local, and Tribal governments or the private sector. Agencies generally must prepare a written statement, including cost benefit analysis, for proposed and final rules with Federal mandates that may result in expenditures of \$100 million or more in any 1 year for State, local or Tribal governments, in the aggregate, or to the private sector. UMRA generally requires agencies to consider alternatives and adopt the more cost effective or least burdensome alternative that achieves the objectives of the rule. This rule contains no Federal mandates, as defined in Title II of UMRA, for State, local and Tribal governments or the private sector. Therefore, this rule is not subject to the requirements of sections 202 and 205 of UMRA.

Paperwork Reduction Act Requirements

The Paperwork Reduction Act of 1995 (44 U.S.C. Chap. 35; see 5 CFR part 1320), requires that OMB approve all collections of information by a Federal agency from the public before they can be implemented. Respondents are not required to respond to any collection of information unless it displays a current valid OMB control number. The information collection request has been approved by OMB under the control number of 0503–0028; Expiration Date: 10/31/2027. FSA will issue payments to producers using the following forms: CCC–901, CCC–902E, CCC–902I, AD–1026, and FSA–510. In addition, for the information collection under 0503–

0028; Expiration Date: 10/31/2027, the agency is seeking to use FSA–970 with this data collection. The AD–1026 is exempt.⁹ The FSA–970 is the only new data collection activity associated with this request. The total annual burden hours for this information collection is 240,665. See table below for the breakout. This final rule is a one-time announcement of ELRP 2023 and 2024 FW Federal financial assistance funding.

For Further Information Contact: Requests for additional information or copies of this information collection should be directed to Kathy Sayers, Farm Service Agency, U.S. Department of Agriculture, via email to Kathy.Sayers@usda.gov.

Title: Emergency Livestock Relief Program (ELRP) 2023 and 2024 Flood and Wildfire (FW).

Form Numbers: CCC–901, CCC–902E, CCC–902I, FSA–510, FSA–970, and AD–1026.

OMB Number: 0503–0028.

Expiration Date: 10/31/2027.

Type of Request: Revision to Generic Information Collection.

Abstract: As authorized by Section 2102 of Division B of Title I of the American Relief Act, 2025 (“the Act”; Pub. L. 118–158), FSA is administering ELRP 2023 and 2024 Flood and Wildfire (FW) to assist eligible livestock producers who suffered losses due to increased supplemental feed costs due to a qualifying flood or qualifying wildfire occurring in calendar years 2023 and 2024. ELRP 2023 and 2024 FW will use approximately \$1 billion in funds. Due to limited funding, payments may be factored.

Livestock producers who experienced increased supplemental feed costs due to a qualifying flood or qualifying wildfire in calendar years 2023 or 2024 are required to submit a FSA–970, ELRP 2023 and 2024 FW Application, for program years 2023, 2024, or both if applicable by the program application period deadline of October 31, 2025. Eligible livestock producers may receive

payment for one or both years. Applicants will also need to provide documentation to support the livestock inventories reported on the application, along with evidence that a qualifying flood or qualifying wildfire impacted their livestock, as applicable. For contract growers, a copy of their grower agreement must be submitted with their application. If the livestock producer’s operation is not established in FSA’s system of farm records for the physical location for which they are applying for assistance, they must supply FSA a deed, lease, or other forms of verification to add them to the land record. Other forms required are the CCC–902, Farm Operating Plan, for an individual or legal entity as provided in 7 CFR part 1400; CCC–901, Member Information for Legal Entities, if applicable; AD–1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification, for the participant and applicable affiliates; and FSA–510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs, for participants and members of legal entities to be eligible for the increased payment limitation of \$250,000, as applicable.

FSA will calculate payments either during the application period if program demand can be determined or after the application period. The eligibility criteria applicable to LFP also apply to ELRP 2023 and 2024 FW, excluding the LFP average adjusted gross income (AGI) limitation.

Affected Public: Farms or businesses for profit.

Estimated Number Respondents: 396,195.

Estimated Number of Responses per Respondent: 2.70356012.

Estimated Number of Total Annual Responses per Respondent: 1,071,137.

Estimated Time per Respondent: .2246816 hours.

Estimated Total Annual Burden on Respondents: 240,665 burden hours.

Burden activity or form	Number of respondents	Number of responses per respondent	Total annual responses	Hours per response	Total hours per year
Emergency Livestock Relief Program (ELRP) 2023 and 2024 Flood and Wildfire (FW)Application—FSA–970	396,195	1	396,195	0.25	99,049
Member Information for an Entity—CCC–901	45,423	1	45,423	0.50	22,712
Farm Operating Plan for an Individual or Entity—CCC–902I or CCC–902E	90,845	1	90,845	0.50	45,423
Request for an Exception to the \$125,000 Payment Limitation for Certain Programs—FSA–510	7,817	1	7,817	0.0835	653
Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification—AD–1026	90,845	1	90,845	0.0835	EXEMPT
Contract Grower Agreement	7,817	1	7,817	0.0835	653

⁹ This information collection is exempted from the Paperwork Reduction Act as specified in the

Agricultural Act of 2014 (Pub. L. 113–79, Title II, Subtitle G, Funding and Administration).

Burden activity or form	Number of respondents	Number of responses per respondent	Total annual responses	Hours per response	Total hours per year
Proof of Livestock Inventories	396,195	1	396,195	0.167	66,165
Proof of Qualifying Disaster Event	36,000	1	36,000	0.167	6,012
Total Estimates	396,195	2.7035601	1,071,137	0.2246816	240,665

There are 396,195 respondents anticipated for this data collection. The “Number of Respondents” column is not a sum, it represents the same respondents participating in different activities for this data collection; therefore, these respondents are not double counted.

Once this request has been approved by OMB, the agency plans to publish another notice in the **Federal Register** announcing OMB approval. There is no recordkeeping or third-party burden on the respondents.

E-Government Act Compliance

FSA is committed to complying with the E-Government Act of 2002, to promote the use of the internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

Federal Assistance Programs

The titles and numbers of the Federal assistance programs, as found in the Assistance Listing, to which this document applies are 10.986—Emergency Livestock Relief Program 2023 and 2024, and 10.987—Emergency Livestock Relief Program (ELRP) 2023 and 2024 Flood and Wildfire (FW).

List of Subjects in 7 CFR Part 760

Acreage allotments, Dairy products, Indemnity payments, Pesticides and pest, Reporting and recordkeeping requirements.

For the reasons discussed above, the Farm Service Agency amends 7 CFR part 760 as follows:

PART 760—INDEMNITY PAYMENT PROGRAMS

■ 1. The authority citation for part 760 continues to read as follows:

Authority: 7 U.S.C. 4501 and 1531; 16 U.S.C. 3801, note; 19 U.S.C. 2497; Title III, Pub. L. 109–234, 120 Stat. 474; Title IX, Pub. L. 110–28, 121 Stat. 211; Sec. 748, Pub. L. 111–80, 123 Stat. 2131; Title I, Pub. L. 115–123, 132 Stat. 65; Title I, Pub. L. 116–20, 133 Stat. 871; Division B, Title VII, Pub. L. 116–94, 133 Stat. 2658; Title I, Pub. L. 117–43, 135 Stat. 356; and Division N, Title I, Pub. L. 117–328, 136 Stat. 4459; Division B, Title I, Pub. L. 118–158, 138 Stat. 1722.

Subpart T—Emergency Livestock Relief Program 2023 and 2024

■ 2. Amend § 760.2004 as follows:

- a. In paragraph (a), remove the words “the deadline announced by the Deputy Administrator” and add “October 31, 2025” in their place; and
- b. In paragraph (b) introductory text, remove the words “the deadline announced by the Deputy Administrator” and add “November 2, 2026” in their place.

§ 760.2006 [Amended]

■ 3. In § 760.2006(a) introductory text, remove the words “payments under this subpart” and add in their place “total payments under this subpart and subpart U combined”.

■ 4. Add subpart U, consisting of §§ 760.2100 through 760.2110, to read as follows:

Subpart U—Emergency Livestock Relief Program 2023 and 2024 Flood and Wildfire

Sec.

- 760.2100 Applicability.
- 760.2101 Administration.
- 760.2102 Definitions.
- 760.2103 Eligible producers.
- 760.2104 Qualifying disaster events.
- 760.2105 Eligible loss condition.
- 760.2106 Eligible covered livestock.
- 760.2107 Application.
- 760.2108 Payment calculation.
- 760.2109 Payment limitation.
- 760.2110 Miscellaneous provisions.

§ 760.2100 Applicability.

(a) This subpart specifies the eligibility requirements and payment calculations for the Emergency Livestock Relief Program (ELRP) 2023 and 2024 Flood and Wildfire (FW), which is authorized by Title I of the Disaster Relief Supplemental Appropriations Act, 2025 (Division B of the American Relief Act, 2025; Public Law 118–158). ELRP 2023 and 2024 FW provides payments to eligible livestock producers who suffered losses due to increased supplemental feed costs incurred during calendar year 2023 and 2024 due to a qualifying flood or qualifying wildfire.

(b) To be eligible for ELRP 2023 and 2024 FW payments, participants must

comply with all applicable provisions under this subpart.

§ 760.2101 Administration.

(a) ELRP 2023 and 2024 FW is administered under the general supervision and direction of the Administrator, Farm Service Agency (FSA), and the Deputy Administrator for Farm Programs (Deputy Administrator).

(b) FSA representatives do not have authority to modify or waive any of the provisions of the regulations of this subpart as amended or supplemented.

(c) The State committee will take any action required by the regulations of this subpart that the county committee has not taken. The State committee will also:

(1) Correct, or require a county committee to correct, any action taken by such county committee that is not in accordance with the regulations of this subpart, or

(2) Require a county committee to withhold taking any action that is not in accordance with this subpart.

(d) No provision or delegation to a State or county committee will preclude the FSA Administrator, the Deputy Administrator, or a designee or other such person, from determining any question arising under the programs of this subpart, or from reversing or modifying any determination made by a State or county committee.

(e) Payments issued under this subpart are subject to the availability of funds authorized under Federal law. Within the funding limitation that may exist under law, the only funds that will be considered available to pay eligible losses will be those amounts approved by the Secretary. If, within the limits of the funding made available by the Secretary, approval of eligible applications would result in expenditures in excess of the amount available, FSA will prorate the available funds by a national payment factor to reduce the total expected payments to the amount made available by the Secretary. FSA will make payments based on the payment factor determined by FSA.

§ 760.2102 Definitions.

The definitions in parts 718, 1400, and 1416 of this title apply to this subpart, except where they conflict with

the definitions in this section. The following definitions also apply.

Adult beef bull means a male beef breed bovine animal that was at least 2 years old and used for breeding purposes on or before the beginning date of a qualifying flood or qualifying wildfire.

Adult beef cow means a female beef breed bovine animal that has delivered one or more offspring. A first-time bred beef heifer is also considered an adult beef cow if it was pregnant on or before the beginning date of a qualifying flood or qualifying wildfire.

Adult beefalo bull means a male hybrid of a beef bull and a bison bull that was used for breeding purposes and was at least 2 years old on or before the beginning date of the qualifying flood or qualifying wildfire.

Adult beefalo cow means a female hybrid of a beef cow and a bison cow that has delivered one or more offspring on or before the beginning date of the qualifying flood or qualifying wildfire. A first-time bred beefalo heifer is also considered an adult beefalo cow if it was pregnant on or before the beginning date of the qualifying flood or qualifying wildfire.

Adult buffalo or bison bull means a male animal of those breeds that was used for breeding purposes and was at least 2 years old on or before the beginning date of the qualifying flood or qualifying wildfire. This definition also includes water buffalo.

Adult buffalo or bison cow means a female animal of those breeds that has delivered one or more offspring on or before the beginning date of the qualifying flood or qualifying wildfire. A first-time bred buffalo or bison heifer is also considered an adult buffalo or bison cow if it was pregnant on or before the beginning date of the qualifying flood or qualifying wildfire. This definition also includes water buffalo.

Adult dairy bull means a male dairy breed bovine animal at least 2 years old used primarily for breeding dairy cows on or before the beginning date of a qualifying flood or qualifying wildfire.

Adult dairy cow means a female dairy breed bovine animal used for the purpose of providing milk for human consumption that has delivered one or more offspring on or before the beginning date of a qualifying flood or qualifying wildfire. A first-time bred dairy heifer is also considered an adult dairy cow if it was pregnant on or before the beginning date of a qualifying flood or qualifying wildfire.

APLN means an FSA Administrator's Physical Loss Notification made according to § 759.6(a)(2) of this title.

Application means the ELRP 2023 and 2024 FW application form (FSA–970).

Average adjusted gross farm income means the average of the person or legal entity's adjusted gross income derived from farming, ranching, and forestry operations, including losses, for the base period.

(1) If the resulting average adjusted gross farm income derived from paragraphs (1) through (13) of the definition for "income derived from farming, ranching, and forestry operations" in this section is at least 66.66 percent of the average adjusted gross income of the person or legal entity, then the average adjusted gross farm income may also take into consideration income or benefits derived from the following:

(i) The sale, trade, or other disposition of equipment to conduct farm, ranch, or forestry operations; and

(ii) The provision of production inputs and services to farmers, ranchers, foresters, and farm operations.

(2) For legal entities not required to file a Federal income tax return, or a person or legal entity that did not have taxable income in 1 or more of the tax years during the base period, the average gross farm income will be the adjusted gross farm income, including losses, averaged for the base period, as determined by FSA. For a legal entity created during the base period, the adjusted gross farm income average will include only those years of the base period for which it was in business; however, a new legal entity will not be considered "new" to the extent it takes over an existing operation and has any elements of common ownership interest and land with the preceding person or legal entity from which it took over. When there is such commonality, income of the previous person or legal entity will be averaged with that of the new legal entity for the base period. For a person filing a joint tax return, the certification of average adjusted gross farm income may be reported as if the person had filed a separate Federal tax return, and the calculation is consistent with the information supporting the filed joint return.

Average AGI means the average of the adjusted gross income as defined under 26 U.S.C. 62 or comparable measure of the person or legal entity for the base period.

Base period means:

(1) 2019, 2020, and 2021 for the 2023 program year; and

(2) 2020, 2021, and 2022 for the 2024 program year.

Covered livestock means livestock of an eligible livestock producer that, on

the beginning date of a qualifying flood or qualifying wildfire, the eligible livestock producer owned, leased, purchased, entered into a contract to purchase, or was a contract grower of. Notwithstanding the foregoing portions of this definition, covered livestock does not include livestock in feedlots.

Disaster designation means designation as a primary county (not including contiguous counties) for any of the following that were issued for a flood, including hurricanes, tropical storms, typhoons, or wildfire that occurred in the 2023 or 2024 calendar year:

(1) APLN;

(2) Presidential declaration; or

(3) Secretarial disaster designation.

ELRP 2023 and 2024 means Emergency Livestock Relief Program 2023 and 2024 administered under 7 CFR part 760, subpart T.

ELRP 2023 and 2024 FW means Emergency Livestock Relief Program 2023 and 2024 Flood and Wildfire administered under 7 CFR part 760, subpart U.

Farming operation means a business enterprise engaged in the production of agricultural products, commodities, or livestock, operated by a person, legal entity, or joint operation. A person or legal entity may have more than one farming operation if the person or legal entity is a member of one or more legal entities or joint operations.

Grazing animal means those species of livestock that, from a nutritional and physiological perspective, are weaned and satisfy more than 50 percent of their net energy requirement through the consumption of forage grasses and legumes, regardless of whether they are grazing or are present on grazing land or pastureland. Unweaned livestock are not considered grazing animals.

Income derived from farming, ranching, and forestry operations means income of an individual or entity derived from:

(1) Production of crops and unfinished raw forestry products;

(2) Production of livestock, aquaculture products used for food, honeybees, and products derived from livestock;

(3) Production of farm-based renewable energy;

(4) Selling (including the sale of easements and development rights) of farm, ranch, and forestry land, water or hunting rights, or environmental benefits;

(5) Rental or lease of land or equipment used for farming, ranching, or forestry operations, including water or hunting rights;

(6) Processing, packing, storing, and transportation of farm, ranch, or forestry commodities including for renewable energy;

(7) Feeding, rearing, or finishing of livestock;

(8) Payments of benefits, including benefits from risk management practices, Federal crop insurance indemnities, and catastrophic risk protection plans;

(9) Sale of land that has been used for agricultural purposes;

(10) Benefits (including, but not limited to, cost-share assistance and other payments) from any Federal program made available and applicable to payment eligibility and payment limitation rules, as provided in 7 CFR part 1400;

(11) Income reported on Internal Revenue Service (IRS) Schedule F (Form 1040), *Profit or Loss from Farming*, or other schedule, approved by the Deputy Administrator, used by the person or legal entity to report income from such operations to the IRS;

(12) Wages or dividends received from a closely held corporation, an Interest Charge Domestic International Sales Corporation (also known as IC-DISC), or legal entity comprised entirely of family members when more than 50 percent of the legal entity's gross receipts for each tax year are derived from farming, ranching, and forestry activities as defined in this subpart; and

(13) Any other activity related to farming, ranching, and forestry, as determined by the Deputy Administrator.

IRS means the Department of the Treasury, Internal Revenue Service.

Legal entity, as used in this subpart:

(1) Means an entity that is created under Federal or State law and that:

(i) Owns land or an agricultural commodity; or

(ii) Produces an agricultural commodity; and

(2) Includes corporations, joint stock companies, associations, limited partnerships, limited liability companies, irrevocable trusts, estates, charitable organizations, general partnerships, joint ventures, and other similar organizations created under Federal or State law including any such organization participating in a business structure as a partner in a general partnership, a participant in a joint venture, a grantor of a revocable trust, or as a participant in a similar organization. A business operating as a sole proprietorship is considered a legal entity.

LFP means the Livestock Forage Disaster Program under section 1501 of

the Agricultural Act of 2014 (7 U.S.C. 9081) and 7 CFR part 1416, subpart C.

Monthly precipitation means precipitation reported in a specific month period, derived from the National Oceanic and Atmospheric Administration, National Centers for Environmental Information "NOAA Monthly Climate Gridded Dataset (NCLimGrid)" available at <https://www.ncei.noaa.gov/access/us-climate-normals/>.

Non-adult beef cattle means a weaned beef breed bovine animal that on or before the beginning date of a qualifying flood or qualifying wildfire does not meet the definition of adult beef cow or bull.

Non-adult beefalo means a weaned hybrid of a beef animal and bison that on or before the beginning date of the qualifying flood or qualifying wildfire does not meet the definition of adult beefalo cow or bull.

Non-adult buffalo or bison means a weaned animal of those breeds that, on or before the beginning date of the qualifying flood or qualifying wildfire, does not meet the definition of adult buffalo or bison cow or bull. This definition also includes water buffalo.

Non-adult dairy cattle means a weaned bovine animal, of a breed used for the purpose of providing milk for human consumption, that on or before the beginning date of a qualifying flood or qualifying wildfire does not meet the definition of adult dairy cow or bull.

Normal precipitation means precipitation based on the National Oceanic and Atmospheric Administration, National Centers for Environmental Information "U.S. Climate Normals, Latest 30 Year Period (1991–2020)" available at <https://www.ncei.noaa.gov/access/us-climate-normals/>.

Owner means one who had legal ownership of the livestock for which benefits are being requested at the beginning of a qualifying flood or qualifying wildfire.

Ownership interest means to have either a legal ownership interest or a beneficial ownership interest in a legal entity. For the purposes of administering ELRP 2023 and 2024 FW, a person or legal entity that owns a share or stock in a legal entity that is a corporation, limited liability company, limited partnership, or similar type entity where members hold a legal ownership interest and shares in the profits or losses of such entity is considered to have an ownership interest in such legal entity. A person or legal entity that is a beneficiary of a trust or heir of an estate who benefits from the profits or losses of such entity

is considered to have a beneficial ownership interest in such legal entity.

Presidential declaration means a Major Disaster Declaration or an Emergency Declaration by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121–2), provided that it is not solely for Category A and Category B Public Assistance or for Hazard Mitigation Grant Assistance.

Production inputs mean material to conduct farming operations, such as seeds, chemicals, and fencing supplies.

Production services mean services provided to support a farming operation, such as custom farming, custom feeding, and custom fencing.

Program year means the calendar year (2023 or 2024) in which the qualifying disaster event occurred.

Qualifying disaster event means a qualifying flood or qualifying wildfire that occurred in calendar year 2023 or 2024.

Qualifying flood means a severe and extreme flooding event that causes widespread destruction, significant property and crop damage, livestock loss and displacement, and major economic loss to infrastructure and the environment, typically overwhelming local flood defenses and response systems.

Qualifying wildfire means an unplanned, unwanted fire burning in natural areas like forests, grasslands, or brushlands on non-federally managed lands. These fires can be started by natural causes like lightning or human activities, and they consume vegetation and spread based on environmental conditions. A qualifying wildfire does not include fires that were planned, intentional, or prescribed burns.

§ 760.2103 Eligible producers.

(a) To be eligible for payment under this subpart, a livestock producer must be an individual or entity who is an owner, operator, landlord, tenant, or sharecropper, who as of the beginning date of the qualifying disaster event, shares in the risk of producing livestock and who is entitled to share in the livestock available for marketing from the farm, or would have shared had the livestock been produced, and who also meets the requirements of paragraph (b) of this section. The term eligible producer can include a livestock owner or contract grower who satisfies other requirements of this section.

(b) An individual or legal entity seeking to be an eligible producer under this subpart must submit a Farm Operating Plan, for an individual or legal entity as provided in 7 CFR part 1400, and be a:

(1) Citizen of the United States;
 (2) Resident alien, which for purposes of ELRP 2023 and 2024 FW means “lawful alien” as defined in 7 CFR part 1400;

(3) Partnership organized under State law consisting solely of citizens of the United States or resident aliens;

(4) Corporation, limited liability company, or other organizational structure organized under State law consisting solely of citizens of the United States or resident aliens; or

(5) Indian Tribe or Tribal organization, as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

(c) The following eligibility provisions apply to payments under this subpart: 7 CFR part 1416, subparts A and C; 7 CFR part 12; and 7 CFR 718.6.

(d) Eligible livestock producers must be identified as either an owner or operator as defined in 7 CFR 718.2, or an “other producer or tenant” who is associated with a tract or field not as an owner or operator, in FSA’s farm records for the applicable program year where the eligible covered livestock were physically located or normally would have been physically located in the absence of the qualifying disaster event occurring. Livestock producers who are not established in FSA’s farm record system must provide proof of ownership, a lease, or owner or operator verification to confirm their interest and physical location for the applicable program year to be added to an existing Farm Serial Number or have one established for them.

(e) To be eligible for a payment under this subpart, a livestock producer must certify that they have incurred increased supplemental feed costs due to a qualifying disaster event in calendar year 2023 or 2024. Producers may receive payment for one or both years, if eligible, and they may receive payments for multiple qualifying disaster events, if applicable, not to exceed the equivalent of 3 months of assistance per livestock producer, per physical location county, per calendar year.

(f) If a contract grower is an eligible livestock producer for covered livestock, the owner of that livestock is not eligible for payment.

(g) Eligible livestock producers do not include livestock auction facilities, operations in the business of housing livestock on a day-to-day basis (including but not limited to preparing livestock for sale or export), and those whose business is to buy and sell livestock from various sources, only serving as an intermediary between

livestock producers and buyers. Commercial feedlots and feedyards (feeding livestock in the final stage of production before slaughter) are not eligible.

§ 760.2104 Qualifying Disaster Events.

(a) Qualifying disaster events for ELRP 2023 and 2024 FW include only the following:

(1) A qualifying flood in a county identified by the Deputy Administrator that was severely impacted with flooding, and received more than 200 percent above normal monthly precipitation associated with storm events identified in the National Oceanic and Atmospheric Administration (NOAA) National Centers for Environmental Information (NCEI) “U.S. Billion Dollar Weather and Climate Disasters” (available at <https://www.ncei.noaa.gov/access/billions>) for flooding and tropical cyclone events in calendar years 2023 and 2024. Additional counties are included that the Deputy Administrator has identified as having a catastrophic flooding event but did not necessarily meet the precipitation criteria for a qualifying flood—in these cases, counties are identified through public data sources that include but are not limited to disaster designations, supported by weather data indicating precipitation anomalies causing catastrophic flooding or flash flooding emergencies, and Federal, State, or local emergency management reports;

(2) A qualifying wildfire in a county identified by the Deputy Administrator that was severely impacted and received a primary disaster declaration for wildfire in calendar year 2023 or 2024; and

(3) A qualifying flood or qualifying wildfire in any other county that, on an individual basis, an eligible producer’s livestock was physically located or normally would have been physically located absent the qualifying disaster event in calendar year 2023 or 2024. Acceptable supporting documentation to verify the occurrence of the qualifying disaster event reported on the FSA–970 meets the established criteria and occurred is required as established in § 760.2107(a) and (b) of this subpart.

(b) The beginning date of the qualifying disaster event that the eligible livestock producer submits on the FSA–970 is the same date the producer is to report the livestock inventories, and this date determines which program year the qualifying disaster event is considered eligible for payment.

(c) Losses due to wildfire occurring on rangeland managed by a Federal agency are not eligible.

§ 760.2105 Eligible Loss Condition.

To be eligible for a payment for ELRP 2023 and 2024 FW, an eligible livestock producer must have incurred a loss as a result of increased supplemental feed costs due to a qualifying flood or qualifying wildfire that occurred in calendar year 2023 or 2024, if the eligible livestock producer, as of the beginning date of the qualifying disaster event, was an owner, operator, landlord, tenant, sharecropper, or eligible contract grower who shares in the risk of producing livestock and is entitled to share in the eligible covered livestock physically located in a county affected by the qualifying disaster event, or normally would have been physically located in that county, in the absence of the qualifying disaster event. When determining if they had increased supplemental feed costs, livestock producers must take into account any changes in livestock inventories and average market prices from a normal year to the calendar year in which their livestock was impacted by a qualifying disaster event.

§ 760.2106 Eligible Covered Livestock.

(a) To be considered eligible covered livestock for ELRP 2023 and 2024 FW payments, livestock must meet all the following conditions:

(1) Be grazing animals such as adult or non-adult beef cattle, adult or non-adult beefalo, adult or non-adult buffalo or bison, adult or non-adult dairy cattle, alpacas, deer, elk, emus, equine, goats, llamas, ostriches, reindeer, or sheep;

(2) Be livestock that, as of the beginning date of the qualifying disaster event, were physically located in the county in which the qualifying disaster event occurred, or normally would have been physically located, in the absence of the qualifying disaster event on or after the disaster event; or were livestock physically relocated from the county due to the imminent threat of the qualifying flood or qualifying wildfire occurring.

(3) Be livestock that, on the beginning date of the qualifying disaster event, the eligible livestock producer:

- (i) Owned;
- (ii) Leased;
- (iii) Purchased;
- (iv) Entered into a contract to purchase; or

(v) Was a contract grower of; and

(4) Been livestock produced or maintained for commercial use or be livestock that is produced and maintained for producing livestock

products for commercial use, such as milk from dairy, as part of the contract grower's or livestock owner's farming operation on the beginning date of the qualifying flood or qualifying wildfire;

(b) The covered livestock categories are:

- (1) Adult beef cattle cows and bulls;
- (2) Adult dairy cows and bulls;
- (3) Adult buffalo, beefalo, bison cows and bulls (includes water buffalo);
- (4) Alpacas;
- (5) Deer;
- (6) Elk;
- (7) Emu;
- (8) Equine;
- (9) Goats;
- (10) Llamas;
- (11) Non-adult beef cattle;
- (12) Non-adult dairy cattle;
- (13) Non-adult beefalo, buffalo, or bison (includes water buffalo);
- (14) Ostriches;
- (15) Reindeer; and
- (16) Sheep.

(c) Livestock that are not covered include, but are not limited to:

(1) Livestock that were or would have been in a feedlot, on the beginning date of the qualifying disaster event, as a part of the normal business operation of the eligible livestock producer, as determined by the Secretary;

(2) Ineligible livestock, or livestock that do not meet the definition of grazing animals;

(3) Yaks;

(4) Poultry;

(5) Swine;

(6) Unweaned livestock or animals not meeting the definition of a grazing animal;

(7) Any wild free roaming livestock, including horses and deer; and

(8) Livestock produced or maintained for reasons other than commercial use as part of a farming operation. Such excluded uses include, but are not limited to:

- (i) Racing or wagering;
- (ii) Hunting; and
- (iii) Consumption by owner.

§ 760.2107 Application Process.

(a) To be eligible for a payment under this subpart, a producer must submit the following to FSA by October 31, 2025:

(1) FSA-970, Emergency Livestock Relief Program 2023 and 2024 Flood and Wildfire Application, for the applicable year (2023 or 2024);

(2) Supporting documentation that verifies the producer's livestock inventories reported on the FSA-970 as provided in paragraph (b) of this section; and

(3) For qualifying disaster events in counties not approved by the Deputy Administrator as specified in 760.2104(a)(3), supporting documentation that substantiates that the qualifying disaster event occurred and affected the livestock in the county where the livestock were physically located, or would have normally been physically located in the absence of the qualifying disaster event, as provided in paragraph (c) of this section.

(4) Contract grower agreement for the applicable program year, if applicable.

(b) Supporting documentation of livestock inventories as required by paragraph (a)(2) of this section includes but is not limited to the following: feed records, daily milking records, veterinary records, canceled check documentation, balance sheets, inventory records used for tax purposes, loan records, bank statements, farm credit balance sheets, property tax records, brand inspection records, sales and purchase receipts, private insurance documents, chattel inspections, contemporaneous producer records existing at the time of event, shearing and docking records, ear tag records, trucking or livestock hauling records, and other documentation determined acceptable by the county committee.

(c) Supporting documentation that a qualifying disaster event occurred as required by paragraph (a)(3) of this section includes but is not limited to the following: photographs that document the impact a qualifying loss event had on the producer's livestock, showing damage to land and property; documentation that indicates economic losses, loss or displacement of livestock, and damage to infrastructure; insurance documentation; reports of a declared emergency area by local, State, or Federal authorities; documentation that supports long term recovery needs such as debris removal, property or land repair; news articles; NOAA storm event database records; other FSA disaster program participation records, and any other documentation determined acceptable by the county committee.

(d) A producer must also submit the following forms to FSA by November 2, 2026 if not previously filed for the applicable program year (2023 or 2024):

(1) CCC-902, Farm Operating Plan, for an individual or legal entity as provided in 7 CFR part 1400;

(2) CCC-901, Member Information for Legal Entities, if applicable;

(3) AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification, for the ELRP 2023 and 2024 FW participant

and applicable affiliates as provided in 7 CFR part 12; and

(4) FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs, accompanied by a certification from a certified public accountant or attorney as to that person or legal entity's certification, for participants and members of legal entities to be eligible for the payment limitation of § 760.2006(a)(2), if applicable.

(e) If requested by FSA, a livestock producer must provide additional documentation that establishes the producer's eligibility for ELRP 2023 and 2024 FW. If supporting documentation is requested, the livestock producer must submit the documentation to FSA within 30 calendar days from the request, or the application will be disapproved by FSA. FSA may request supporting documentation to verify information provided by the producer and the producer's eligibility, including, but not limited to, the livestock producer's share of the eligible covered livestock and the physical location of their livestock.

§ 760.2108 Payment calculation.

(a) ELRP 2023 and 2024 FW will use the information reported on a producer's approved FSA-970, for the applicable program year (2023 or 2024), as the basis for a payment under this subpart.

(b) FSA will calculate payments under this subpart according to the following:

(1) The number of eligible livestock (by livestock kind, type, and weight range) on the beginning date of the qualifying disaster event, multiplied by;

(2) Producer Share, multiplied by;

(3) The applicable ELRP 2023 and 2024 FW Payment Rate, as specified in paragraph (c) of this section, which equals;

(4) The gross ELRP 2023 and 2024 FW payment, multiplied by;

(5) An ELRP 2023 and 2024 FW payment factor, if applicable, to be determined during or after the application period.

(c) The ELRP 2023 and 2024 FW payment rates provided in Table 3 are based on 60 percent of the monthly feed cost per 1 AU, as determined by the Deputy Administrator, for the applicable calendar year, using the same current AU conversion rates as LFP. A qualifying wildfire payment rate equates to 1 month of calculated feed costs, and a qualifying flood payment rate equates to 3 months of calculated feed costs.

TABLE 1 TO PARAGRAPH (c)—ELRP 2023 AND 2024 FW PAYMENT RATES BY ELIGIBLE COVERED LIVESTOCK KIND, TYPE, AND WEIGHT RANGE

Livestock kind	Type and weight range	ELRP 2023 and 2024 FW payment rates			
		2023 Wildfire	2023 Flood	2024 Wildfire	2024 Flood
Alpaca	All	\$7.68	\$23.04	\$6.94	\$20.82
Beef	Adult cows and bulls	34.87	104.61	31.54	94.62
	Non adult 500 lbs. or more	26.15	78.45	23.65	70.95
	Non-adult less than 500 lbs	17.44	52.32	15.77	47.31
Buffalo, Bison, and Beefalo	Adult cows and bulls	34.87	104.61	31.54	94.62
	Non adult 500 lbs. or more	26.15	78.45	23.65	70.95
	Non-adult less than 500 lbs	17.44	52.32	15.77	47.31
Dairy	Adult dairy cows and bulls	90.67	272.01	82.00	246.00
	Non adult 500 lbs. or more	26.15	78.45	23.65	70.95
	Non-adult less than 500 lbs	17.44	52.32	15.77	47.31
Deer	All	8.72	26.16	7.88	23.64
Emus	All	17.85	53.55	16.14	48.42
Elk	All	18.83	56.49	17.03	51.09
Equine	All	25.81	77.43	23.34	70.02
Goats	All	8.72	26.16	7.88	23.64
Llamas	All	12.73	38.19	11.51	34.53
Ostrich	All	19.18	57.54	17.34	52.02
Reindeer	All	7.68	23.04	6.94	20.82
Sheep	All	8.72	26.16	7.88	23.64

(d) FSA will not disburse ELRP 2023 and 2024 FW payments at the beginning of the application period. However, during the application period, the Deputy Administrator may evaluate program demand and begin issuing payments if an initial payment factor can be established to ensure that payments do not exceed available funding. After the application deadline, a final payment factor will be determined and applied, which may or may not provide an additional or final payment, depending upon the factor.

§ 760.2109 Payment limitation.

(a) For each applicable year (2023 and 2024), a person or legal entity, other than a joint venture or general partnership, is eligible to receive, directly or indirectly, total payments under this subpart and subpart T combined of not more than:

(1) \$125,000 if less than 75 percent of the person or legal entity's average adjusted gross income is average adjusted gross farm income; or

(2) \$250,000 if 75 percent or more of the average adjusted gross income of the person or legal entity is average adjusted gross farm income.

(b) To be eligible to receive payments based on the limitations in paragraph (a)(2) of this section, a person or legal entity must submit FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs, accompanied by a certification from a certified public accountant or attorney as to that person or legal entity's certification.

(c) If a producer requesting the \$250,000 payment limitation is a legal entity, all members of that entity must also complete FSA-510 and provide the required certification according to the direct attribution provisions in 7 CFR 1400.105. If a legal entity would be eligible for the \$250,000 payment limitation based on the legal entity's average adjusted gross farm income but a member of that legal entity either does not complete an FSA-510 and provide the required certification or is not eligible for the \$250,000 payment limitation, the payment to the legal entity will be reduced for the limitation applicable to the share of the ELRP 2023 or 2024 FW payment attributed to that member.

(d) If a producer or member of a legal entity files FSA-510 and the accompanying certification after their payment is issued but before the deadline specified in paragraph 760.2004(b) of this subpart, FSA will recalculate the payment and issue the additional calculated amount.

(e) ELRP 2023 and 2024 FW applicants filing an FSA-510 are subject to an FSA audit of information submitted for the purpose of increasing the program's payment limitation. As a part of this audit, FSA may request income tax returns, and if requested, must be supplied by all related persons and legal entities. In addition to any other requirement under any Federal statute, relevant Federal income tax returns and documentation must be retained a minimum of 3 years after the end of the calendar year corresponding to the year for which payments or

benefits are requested. Failure to provide necessary and accurate information to verify compliance, or failure to comply with these requirements will result in ineligibility for ELRP 2023 and 2024 FW benefits and require refund of any ELRP 2023 and 2024 FW payments, including interest to be calculated from the date of the disbursement to the producer.

(f) The payment limitation provisions of 7 CFR part 1400, subpart A, and §§ 1400.103–1400.106 apply to ELRP 2023 and 2024 FW.

(g) Payments made directly or indirectly to a person who is a minor child will not be combined with the earnings of the minor's parent or legal guardian.

(h) If an individual or legal entity is not eligible to receive ELRP 2023 and 2024 FW payments due to the individual or legal entity failing to satisfy payment eligibility provisions, the payment made either directly or indirectly to the individual or legal entity will be reduced to zero. The amount of the reduction for the direct payment to the producer will be commensurate with the direct or indirect ownership interest of the ineligible individual or ineligible legal entity.

§ 760.2110 Miscellaneous provisions.

(a) If an ELRP 2023 and 2024 FW payment resulted from erroneous information reported by the producer, or any person acting on their behalf, the ELRP 2023 and 2024 FW payment will be recalculated and the producer must refund any excess payment to FSA,

including interest to be calculated from the date of the disbursement to the producer.

(b) If FSA determines that the producer intentionally misrepresented information used to determine the producer's ELRP 2023 and 2024 FW payment amount, the application will be disapproved, and the producer must refund the full payment to FSA with interest from the date of disbursement. All persons with a financial interest in a legal entity receiving payments are jointly and severally liable for any refund, including related charges, which is determined to be due to FSA for any reason.

(c) Any required refunds must be resolved in accordance with debt settlement regulations in 7 CFR part 3.

(d) Participants are required to retain documentation in support of their application for 3 years after the date of approval. Participants receiving ELRP 2023 and 2024 FW payments or any other person who furnishes such information to USDA must permit authorized representatives of USDA or the Government Accountability Office, during regular business hours, to enter the agricultural operation and to inspect, examine, and to allow representatives to make copies of books, records, or other items for the purpose of confirming the accuracy of the information provided by the participant.

(e) Any payment under ELRP 2023 and 2024 FW will be made without regard to questions of title under State law and without regard to any claim or lien. The regulations governing offsets in 7 CFR part 3 apply to ELRP 2023 and 2024 FW payments.

(f) Participants are subject to laws against perjury and any penalties and prosecution resulting therefrom, with such laws including but not limited to 18 U.S.C. 1621. If a producer willfully makes and represents as true any verbal or written declaration, certification, statement, or verification that the producer knows or believes not to be true, in the course of either applying for or participating in ELRP 2023 and 2024 FW, then the producer is guilty of perjury and, except as otherwise provided by law, may be fined, imprisoned for not more than 5 years, or both, regardless of whether the producer makes such verbal or written declaration, certification, statement, or verification within or outside the United States.

(g) For the purposes of the effect of a lien on eligibility for Federal programs (28 U.S.C. 3201(e)), the restriction on receipt of funds under ELRP 2023 and 2024 FW shall not apply to beneficiaries who agree to apply the ELRP 2023 and

2024 FW payments to reduce the amount of the judgment lien.

(h) In addition to any other Federal laws that apply to ELRP 2023 and 2024 FW, the following laws apply: 15 U.S.C. 714; and 18 U.S.C. 286, 287, 371, and 1001.

(i) Prompt pay interest is not applicable to payments under this subpart.

Kimberly Graham,

Acting Administrator, Farm Service Agency.

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 927

[Doc. No. AMS-SC-24-0045]

Pears Grown in Oregon and Washington; Increased Assessment Rate for Fresh Pears

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This final rule implements a recommendation from the Fresh Pear Committee (Committee) to increase the assessment rate established for the 2024–2025 and subsequent fiscal periods from \$0.468 to \$0.516 per 44-pound standard box or equivalent for fresh “summer/fall” pears and fresh “winter” pears grown in Oregon and Washington. The assessment rate will remain in effect indefinitely unless modified, suspended, or terminated.

DATES: Effective October 15, 2025.

FOR FURTHER INFORMATION CONTACT: Joshua R. Wilde, Marketing Specialist, or Barry Broadbent, Chief, Northwest Region Branch, Market Development Division, Specialty Crops Program, AMS, USDA; Telephone: (503) 326-2724, or Email: Joshua.R.Wilde@usda.gov or Barry.Broadbent@usda.gov.

Small businesses may request information on complying with this regulation by contacting Antoinette Carter, Market Development Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue SW, STOP 0237, Washington, DC 20250-0237; Telephone: (202) 720-8085, or Email: Antoinette.Carter@usda.gov.

SUPPLEMENTARY INFORMATION: This action, pursuant to 5 U.S.C. 553, amends regulations issued to carry out a marketing order as defined in 7 CFR 900.2(j). This final rule is issued under Marketing Order No. 927, as amended (7 CFR part 927), regulating the handling

of pears grown in Oregon and Washington. Part 927 (referred to as the “Order”) is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), hereinafter referred to as the “Act.” The Committee locally administers the Order and is comprised of growers and handlers of pears operating within the area of production, and a public member.

The Agricultural Marketing Service (AMS) is issuing this final rule in conformance with Executive Order 12866, as amended by Executive Order 13563. Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility. This action falls within a category of regulatory actions that the Office of Management and Budget (OMB) exempted from Executive Order 12866 review.

This final rule has been reviewed under Executive Order 13175—Consultation and Coordination with Indian Tribal Governments, which requires federal agencies to consider whether their rulemaking actions would have tribal implications. AMS has determined that this rule is unlikely to have substantial direct effects on one or more Indian tribes, on the relationship between the federal government and Indian tribes, or on the distribution of power and responsibilities between the federal government and Indian tribes.

This final rule has been reviewed under Executive Order 12988—Civil Justice Reform. Under the Order now in effect, Oregon and Washington pear handlers are subject to assessments. Funds to administer the Order are derived from such assessments. It is intended that the assessment rate will be applicable to all assessable Oregon and Washington fresh pears for the 2024–2025 fiscal period, and continue until amended, suspended, or terminated.

The Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 8c(15)(A) of the Act (7 U.S.C. 608c(15)(A)), any handler subject to an order may file with USDA a petition stating that the order, any provision of the order, or any obligation imposed in connection with the order is not in

accordance with law and request a modification of the order or to be exempted therefrom. Such handler is afforded the opportunity for a hearing on the petition. After the hearing, USDA would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has his or her principal place of business, has jurisdiction to review USDA's ruling on the petition, provided an action is filed not later than 20 days after the date of the entry of the ruling.

This final rule increases the assessment rate for Oregon and Washington fresh "summer/fall" pears and "winter" pears handled under the Order from \$0.468 per 44-pound standard box or equivalent, the rate that was established for the 2021–2022 and subsequent fiscal periods, to \$0.516 per 44-pound standard box or equivalent for the 2024–2025 and subsequent fiscal periods.

Sections 927.40 and 927.41 of the Order authorize the Committee, with the approval of AMS, to formulate an annual budget of expenses and collect assessments from handlers to administer the program. The members of the Committee are familiar with the Committee's needs and with the costs of goods and services in their local area and are able to formulate an appropriate budget and assessment rate. The assessment rate is formulated and discussed in a public meeting, and all directly affected persons have an opportunity to participate and provide input.

For the 2021–2022 and subsequent fiscal periods, the Committee recommended, and AMS approved, an assessment rate of \$0.468 per 44-pound standard box or equivalent of assessable fresh "summer/fall" pears and "winter" pears within the production area. That rate continues in effect from fiscal period to fiscal period until modified, suspended, or terminated by AMS upon recommendation and information submitted by the Committee or other information available to AMS.

The Committee met on May 29, 2024, and recommended, with a vote of 10 in favor, with 1 opposed, and 1 abstention, 2024–2025 fiscal period expenditures of \$8,167,642 and an assessment rate of \$0.516 per 44-pound standard box or equivalent of fresh "summer/fall" and "winter" pears for the 2024–2025 fiscal period. In comparison, last year's budgeted expenditures were \$8,364,570. The member voting in opposition did not support any increase to the assessment rate. The member who abstained did not provide a justification. The new assessment rate of \$0.516 per

44-pound standard box or equivalent is \$0.048 higher than the rate currently in effect. The Committee recommended increasing the assessment rate due to a smaller estimated 2024 crop and to provide adequate income to cover the Committee's budgeted expenses for the 2024–2025 fiscal period without needing to draw from the Committee's financial reserves. The Committee projects handler receipts of 16,000,000 44-pound standard boxes or equivalent of assessable fresh pears for the 2024–2025 fiscal period, down from the approximately 18,000,000 44-pound standard boxes or equivalent that the Committee initially projected for the 2023–2024 fiscal period.

The major expenditures recommended by the Committee for the 2024–2025 fiscal period include \$6,928,000 for promotion and paid advertising, \$621,148 for production research and market development, \$435,321 for contracted administration and Committee expenses, and \$183,173 for industry development. For comparison, budgeted expenses for these items during the 2023–2024 fiscal period were \$6,930,000, \$843,373, \$415,238, and \$175,959, respectively.

The Committee derived the recommended assessment rate by considering anticipated expenses, the estimated volume of assessable fresh pears, and the amount of funds available in the authorized reserve. The estimated 16,000,000 44-pound standard boxes or equivalent of assessable fresh "summer/fall" and "winter" pears is expected to generate \$8,256,000 in assessment revenue (16,000,000 44-pound standard boxes or equivalent multiplied by the \$0.516 assessment rate). The income generated from handler assessments, along with \$3,000 expected in interest income, is expected to be sufficient to meet the Committee's estimated program expenditures of \$8,167,642 without needing to draw from the Committee's financial reserves. Funds available in the financial reserve (currently about \$716,365) will be kept below the maximum permitted by the Order (approximately one fiscal period's expenses as authorized in § 927.42).

The assessment rate established herein will continue in effect indefinitely unless modified, suspended, or terminated by AMS upon recommendation and information submitted by the Committee or other available information. Although this assessment rate will be in effect for an indefinite period, the Committee will continue to meet prior to or during each fiscal period to recommend a budget of expenses and consider recommendations for modification of

the assessment rate. The dates and times of Committee meetings are available from the Committee or AMS. Committee meetings are open to the public and interested persons may express their views at these meetings. AMS will evaluate Committee recommendations and other available information to determine whether modification of the assessment rate is needed. Further rulemaking would be undertaken as necessary. The Committee's 2024–2025 fiscal period budget, and those for subsequent fiscal periods, will be reviewed and, as appropriate, approved by AMS.

Final Regulatory Flexibility Analysis

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA) (5 U.S.C. 601–612), AMS has considered the economic impact of this final rule on small entities. Accordingly, AMS has prepared this final regulatory flexibility analysis.

The purpose of the RFA is to fit regulatory actions to the scale of businesses subject to such actions in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Act, and the rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf.

There are approximately 27 handlers subject to regulation under the Order and approximately 700 growers of fresh pears in the production area. At the time this analysis was prepared, the Small Business Administration (SBA) defined small agricultural service firms as those having annual receipts of equal to or less than \$34,000,000 (North American Industry Classification System (NAICS) code 115114, Postharvest Crop Activities), and small agricultural producers of fresh pears as those having annual receipts of equal to or less than \$3,500,000 (NAICS code 111339, Other Noncitrus Fruit Farming) (13 CFR 121.201).

Data from USDA's National Agricultural Statistics Service (NASS), indicates a three-year average grower price for Oregon and Washington fresh pears of approximately \$11.92 per 44-pound standard box or equivalent for the most recent seasons for which data is available (2020–2021 through 2022–2023 fiscal periods). Committee records indicate average annual fresh pear shipments of 15,246,095 44-pound standard boxes or equivalent over the same period. Based on these data, the average total annual value of assessable fresh pears over this period would have been approximately \$181,733,452

(15,246,095 44-pound standard boxes or equivalent multiplied by \$11.92 per box). Dividing that figure by the number of fresh pear growers (700) yields an average annual crop value per grower of approximately \$259,619. This figure is well below the SBA small agricultural producer threshold of \$3,500,000 in annual sales. This provides evidence that a large majority of pear growers would likely be considered small agricultural producers according to the SBA definition.

According to USDA Market News data, the most recent shipping point price for fresh pears out of the Yakima Valley and Wenatchee District ranged between \$36.25 and \$45.05 per 44-pound standard box or equivalent. Using this data to assume an average shipping point price of \$40.65 for all Oregon and Washington fresh pears yields a total crop value of approximately \$619,753,762 (15,246,095 44-pound standard boxes multiplied by \$40.65 per box). Dividing this figure by 27 regulated handlers yields estimated average annual handler receipts of approximately \$22,953,843. Therefore, according to the above data and assuming a normal distribution of receipts among handlers, the majority of growers and handlers of Oregon and Washington fresh pears may be classified as small entities.

As noted above, the average price received by growers in the previous three crop years was \$11.92 per 44-pound standard box or equivalent of assessable fresh “summer/fall” pears and “winter” pears. Given the Committee-estimated production of 16,000,000 44-pound standard boxes or equivalent of assessable fresh pears for the 2024–2025 crop year, total grower revenue is estimated to be \$190,720,000. Total assessment revenue is expected to be \$8,256,000 (16,000,000 boxes multiplied by \$0.516 per box). Therefore, estimated assessment revenue as a percentage of total grower revenue is expected to be about 4.3 percent (\$8,256,000 divided by \$190,720,000 multiplied by 100).

This final rule increases the assessment rate collected from handlers for the 2024–2025 and subsequent fiscal periods from \$0.468 to \$0.516 per 44-pound standard box or equivalent of fresh “summer/fall” and “winter” pears. The Committee recommended 2024–2025 fiscal period expenditures of \$8,167,642 and an assessment rate of \$0.516 per 44-pound standard box or equivalent of assessable fresh “summer/fall” and “winter” pears handled. The assessment rate of \$0.516 is \$0.048 higher than the rate currently in effect. The Committee expects the industry to

handle 16,000,000 44-pound standard boxes or equivalent of assessable fresh “summer/fall” pears and “winter” pears during the 2024–2025 fiscal period. Thus, the \$0.516 per 44-pound standard box or equivalent assessment rate is expected to provide \$8,256,000 in assessment income (16,000,000 44-pound standard boxes or equivalent multiplied by the \$0.516 assessment rate). The income generated from handler assessments, along with \$3,000 expected in interest income, should be sufficient to meet budgeted expenditures for the 2024–2025 fiscal period.

The major expenditures recommended by the Committee for the 2024–2025 fiscal period include \$6,928,000 for promotion and paid advertising, \$621,148 for production research and market development, \$435,321 for contracted administration and Committee expenses, and \$183,173 for industry development. For comparison, budgeted expenses for these items during the 2023–2024 fiscal period were \$6,930,000, \$843,373, \$415,238, and \$175,959, respectively.

The Committee recommended increasing the assessment rate to provide adequate income to cover the Committee’s budgeted expenses for the 2024–2025 fiscal period without needing to draw from the Committee’s financial reserves. The Committee projects handler receipts of 16,000,000 44-pound standard boxes or equivalent of assessable fresh pears for the 2024–2025 fiscal period, down from the estimated 18,000,000 44-pound standard boxes or equivalent that the Committee initially projected for the 2023–2024 fiscal period.

Prior to arriving at this budget and assessment rate recommendation, the Committee discussed various alternatives, including maintaining the current assessment rate of \$0.468 per 44-pound standard box or equivalent of assessable fresh pears and increasing the assessment rate by a different amount. However, the Committee determined that the recommended assessment rate would be necessary to adequately fund budgeted expenses for the 2024–2025 fiscal period without needing to draw from the Committee’s financial reserves. Consequently, those alternatives were rejected.

This action increases the assessment obligation imposed on handlers. Assessments are applied uniformly on all handlers, and some of the costs may be passed on to growers. However, these costs are expected to be offset by the benefits derived by the operation of the Order.

The Committee’s meetings are widely publicized throughout the Oregon and Washington pear industry and all interested persons are invited to attend the meetings and participate in Committee deliberations on all issues. Like all Committee meetings, the May 29, 2024, meeting was a public meeting and all entities, both large and small, were able to express views on this issue. Finally, interested persons were invited to submit comments on this rule, including the regulatory and information collection impacts of this action on small businesses.

In accordance with the Paperwork Reduction Act of 1995, (44 U.S.C. Chapter 35), the Order’s information collection requirements have been previously approved by OMB and assigned OMB No. 0581–0189, Fruit Crops. No changes in those requirements will be necessary as a result of this action. Should any changes become necessary, they would be submitted to OMB for approval.

This rule will not impose any additional reporting or recordkeeping requirements on either small or large Oregon and Washington pear handlers. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies.

AMS is committed to complying with the E-Government Act, to promote the use of the internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

AMS has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule.

A proposed rule concerning this action was published in the **Federal Register** on October 24, 2024 (89 FR 84828). A 30-day comment period ending November 25, 2024, was provided for interested persons to respond to the proposal. AMS received two comments during the comment period. One commenter supported the increased assessment rate, and the other commenter did not address the merits of the proposed rule. Accordingly, AMS made no changes to the rule, as proposed.

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at: <https://www.ams.usda.gov/rules-regulations/moa/small-businesses>. Any questions about the compliance guide should be sent to Antoinette Carter at the previously mentioned address in the

FOR FURTHER INFORMATION CONTACT section.

After consideration of all relevant material presented, including the information and recommendations submitted by the Committee and other available information, AMS has determined that this rule is consistent with and will effectuate the declared policy of the Act.

List of Subjects in 7 CFR Part 927

Marketing agreements, Pears, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, the Agricultural Marketing Service amends 7 CFR part 927 as follows:

PART 927—PEARS GROWN IN OREGON AND WASHINGTON

- 1. The authority citation for 7 CFR part 927 continues to read as follows:

Authority: 7 U.S.C. 601–674.

- 2. Amend § 927.236 by revising the introductory text and paragraphs (a) and (b) to read as follows:

§ 927.236 Fresh pear assessment rate.

On and after July 1, 2024, the following base rates of assessment for fresh pears are established for the Fresh Pear Committee:

- (a) \$0.516 per 44-pound net weight standard box or container equivalent for any or all varieties or subvarieties of fresh pears classified as “summer/fall”;
- (b) \$0.516 per 44-pound net weight standard box or container equivalent for any or all varieties or subvarieties of fresh pears classified as “winter”; and
- * * * * *

Erin Morris,

Administrator, Agricultural Marketing Service.

[FR Doc. 2025–17773 Filed 9–12–25; 8:45 am]

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DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39**

[Docket No. FAA–2025–2278; Project Identifier MCAI–2025–01369–T; Amendment 39–23142; AD 2025–19–02]

RIN 2120–AA64

Airworthiness Directives; Airbus SAS Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for all Airbus SAS Model A350–941 and –1041 airplanes. This AD was prompted by a reported occurrence where the decorative cover to an evacuation slide detached in flight, with the slide pack found resting unsecured on the cabin floor. This AD requires accomplishing a visual inspection of the latch hook and, if necessary, corrective actions. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective September 30, 2025.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of September 30, 2025.

The FAA must receive comments on this AD by October 30, 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–2025–2278; 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, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The street address for Docket Operations is listed above.

Material Incorporated by Reference:

- For European Union Aviation Safety Agency (EASA) material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; telephone +49 221 8999 000; email *ADS@easa.europa.eu*. You may find this material on the EASA website at *ad.easa.europa.eu*.

- You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195. It is also available at *regulations.gov* under Docket No. FAA–2025–2278.

FOR FURTHER INFORMATION CONTACT:

Camille Seay, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 817–222–5149; email: *Camille.L.Seay@faa.gov*.

SUPPLEMENTARY INFORMATION:**Comments Invited**

The FAA invites you to send any written data, views, or arguments about this final rule. Send your comments using a method listed under the **ADDRESSES** section. Include “Docket No. FAA–2025–2278; Project Identifier MCAI–2025–01369–T” 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 Camille Seay, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 817–222–5149; email: *Camille.L.Seay@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

EASA, which is the Technical Agent for the Member States of the European Union, has issued EASA AD 2025–0180, dated August 15, 2025 (EASA AD 2025–

0180) (also referred to as the MCAI), to correct an unsafe condition for all Model A350–941 and –1041 airplanes. The MCAI states that an occurrence was reported where the decorative cover to an evacuation slide detached in flight, with the slide pack found resting unsecured on the cabin floor. The root cause was attributed to an incorrect installation procedure, potentially leading to installation errors. This condition, if not detected and corrected, could result in the detachment of the slide pack, possibly preventing timely evacuation in the case of an emergency, leading to injury to airplane occupants.

The FAA is issuing this AD to address the unsafe condition on these products.

You may examine the MCAI in the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2025–2278.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed EASA AD 2025–0180, which specifies procedures for a visual inspection of all slide upper latch assemblies to ensure that they are fully engaged in the aircraft door fitting and locked properly and applicable corrective actions. Corrective actions include locking the slide upper latch if it is not fully locked, doing a visual inspection of the slide condition, correctly installing the slide, and replacing the slide.

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.

Clarification of the Required for Compliance (RC) Actions

EASA AD 2025–0180 references Airbus Alert Operators Transmission (AOT) A25P033–25, dated June 18, 2025, for accomplishing the visual inspection of the affected part and corrective actions. The FAA clarifies that the procedures in paragraph 5.5 of the AOT are RC steps. Although paragraph 5.5 of the AOT is not marked as an RC step, the third note in paragraph 5 of the AOT specifies that paragraph 5.5, in addition to other paragraphs, must be done to comply with the AD.

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 AD after determining that the unsafe condition described previously is likely to exist or develop on other products of the same type design.

Requirements of This AD

This AD requires accomplishing the actions specified in EASA AD 2025–0180 described previously, except for any differences identified as exceptions in the regulatory text of this 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, EASA AD 2025–0180 is incorporated by reference in this AD. This AD requires compliance with EASA AD 2025–0180 in its entirety through that incorporation, except for any differences identified as exceptions in the regulatory text of this AD. Using common terms that are the same as the heading of a particular section in EASA AD 2025–0180 does not mean that operators need comply only with that section. For example, where the AD requirement refers to “all required actions and compliance times,” compliance with this AD requirement is not limited to the section titled “Required Action(s) and Compliance Time(s)” in EASA AD 2025–0180. Material required by EASA AD 2025–0180 for compliance will be available at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2025–2278 after this AD is published.

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.

An unsafe condition exists that requires the immediate adoption of this AD without providing an opportunity for public comments prior to adoption. The FAA has found that the risk to the flying public justifies forgoing notice and comment prior to adoption of this rule because incorrect installation of the slide pack could lead to slide pack detachment that, in the event of an emergency, could prevent timely evacuation and result in injury to airplane occupants. Additionally, the compliance time in this AD is shorter than the time necessary for the public to comment and for publication of the final rule. Accordingly, notice and opportunity for prior public comment are impracticable and contrary to the public interest pursuant to 5 U.S.C. 553(b).

In addition, 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, for the same reasons the FAA found good cause to forgo notice and comment.

Regulatory Flexibility Act (RFA)

The requirements of the 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 notice and comment, RFA analysis is not required.

Costs of Compliance

The FAA estimates that this AD affects 38 airplanes of U.S. registry. The FAA estimates the following costs to comply with this AD:

ESTIMATED COSTS FOR REQUIRED ACTIONS

Labor cost	Parts cost	Cost per product	Cost on U.S. operators
2 work-hours × \$85 per hour = \$170	\$0	\$170	\$6,460

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

the results of any required actions. The FAA has no way of determining the

number of aircraft that might need these on-condition actions:

ESTIMATED COSTS OF ON-CONDITION ACTIONS

Labor cost	Parts cost	Cost per product
Up to 9 work-hours × \$85 per hour = \$765	Up to \$80,000	\$80,765

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

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

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 adding the following new airworthiness directive:

2025–19–02 Airbus SAS: Amendment 39–23142; Docket No. FAA–2025–2278; Project Identifier MCAI–2025–01369–T.

(a) Effective Date

This airworthiness directive (AD) is effective September 30, 2025.

(b) Affected ADs

None.

(c) Applicability

This AD applies to all Airbus SAS Model A350–941 and –1041 airplanes, certificated in any category.

(d) Subject

Air Transport Association (ATA) of America Code 25, Equipment/Furnishings.

(e) Unsafe Condition

This AD was prompted by a reported occurrence where the decorative cover to an evacuation slide detached in flight and the slide pack was found resting unsecured on the cabin floor. The FAA is issuing this AD to address the potentially incorrect installation of the slide pack due to an incorrect installation procedure, which could lead to slide pack detachment that, in the event of an emergency, could prevent timely evacuation and result in injury to airplane occupants.

(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, European Union Aviation Safety Agency (EASA) AD 2025–0180, dated August 15, 2025 (EASA AD 2025–0180).

(h) Exceptions to EASA AD 2025–0180

(1) Where EASA AD 2025–0180 refers to its effective date, this AD requires using the effective date of this AD.

(2) Where paragraph (2) of EASA AD 2025–0180 specifies “discrepancies”, this AD requires replacing that text with “findings”.

(3) This AD does not adopt the “Remarks” section of EASA AD 2025–0180.

(i) Additional AD Provisions

The following provisions also apply to this AD:

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

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

(3) *Required for Compliance (RC)*: Except as required by paragraph (i)(2) of this AD, if any material referenced in EASA AD 2025–0180 that contains paragraphs that are labeled as RC, the instructions in RC paragraphs, including subparagraphs under an RC paragraph, must be done to comply with this AD; any paragraphs, including subparagraphs under those paragraphs, that are not identified as RC are recommended. The instructions in paragraphs, including subparagraphs under those paragraphs, not identified as RC may be deviated from using accepted methods in accordance with the operator’s maintenance or inspection program without obtaining approval of an AMOC, provided the instructions identified as RC can be done and the airplane can be put back in an airworthy condition. Any substitutions or changes to instructions identified as RC require approval of an AMOC.

(j) Additional Information

For more information about this AD, contact Camille Seay, Aviation Safety Engineer, FAA, 2200 South 216th St., Des

Moines, WA 98198; phone: 817–222–5149; email: Camille.L.Seay@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) European Union Aviation Safety Agency (EASA) AD 2025–0180, dated August 15, 2025.

(ii) [Reserved]

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

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

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

Issued on September 9, 2025.

Peter A. White,

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

[FR Doc. 2025–17787 Filed 9–11–25; 4:15 pm]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2025–1104; Project Identifier MCAI–2024–00622–T; Amendment 39–23130; AD 2025–18–03]

RIN 2120–AA64

Airworthiness Directives; Airbus SAS Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: The FAA is superseding Airworthiness Directive (AD) 2023–25–09, which applied to all Airbus SAS Model A318, A319, A320, A321, A330–200, A330–200 Freighter, A330–300, A330–800, A330–900, A340–200, A340–300, A340–500, and A340–600 series airplanes. AD 2023–25–09 required replacing SafeLav gaseous oxygen containers (SLGOCs) affected by a production deficiency and prohibiting the installation of affected SLGOCs. Since the FAA issued AD 2023–05–09,

a new airplane model has been certified, on which affected parts could be installed in service. This AD continues to require the actions in AD 2023–25–09 and adds airplanes to the applicability. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective October 20, 2025.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of October 20, 2025.

ADDRESSES:

AD Docket: You may examine the AD docket at regulations.gov under Docket No. FAA–2025–1104; 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, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The address for Docket Operations is U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.

Material Incorporated by Reference:

- For European Union Aviation Safety Agency (EASA) material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; telephone +49 221 8999 000; email ADs@easa.europa.eu. You may find this material on the EASA website at ad.easa.europa.eu.

- You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195. It is also available at regulations.gov under Docket No. FAA–2025–1104.

FOR FURTHER INFORMATION CONTACT:

Nicole S. Tsang, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206–231–3959; email: Nicole.S.Tsang@faa.gov.

SUPPLEMENTARY INFORMATION:

Background

The FAA issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to supersede AD 2023–25–09, Amendment 39–22636 (89 FR 242, January 3, 2024) (AD 2023–25–09). AD 2023–25–09 applied to all Airbus SAS Model A318, A319, A320, A321, A330–200, A330–200 Freighter, A330–300, A330–800, A330–900, A340–200, A340–300, A340–500, and A340–600 series airplanes. AD 2023–25–09 required replacing affected SLGOCs and

prohibiting the installation of affected SLGOCs. The FAA issued AD 2023–25–09 to address missing heat treatment of the actuation pin of the SLGOC, which could cause its jamming, with consequent failure of oxygen flow activation. This condition, if not corrected, could prevent supplemental oxygen supply in case of decompression in the cabin/lavatory, possibly resulting in injury to lavatory occupants.

The NPRM was published in the **Federal Register** on June 17, 2025, (90 FR 25520). The NPRM was prompted by AD 2024–0197, dated October 18, 2024 (EASA AD 2024–0197) (also referred to as the MCAI), issued by EASA, which is the Technical Agent for the Member States of the European Union. The MCAI states a new Model, A321–253NY, has been certified, on which affected parts could be installed in service.

In the NPRM, the FAA proposed to continue to require the actions in AD 2023–25–09 and to add airplanes to the applicability, as specified in EASA AD 2024–0197. The FAA is issuing this AD to address the unsafe condition on these products.

You may examine the MCAI in the AD docket at regulations.gov under Docket No. FAA–2025–1104.

Discussion of Final Airworthiness Directive

Comments

The FAA received a comment from the Air Line Pilots Association, International (ALPA) who supported the NPRM without change.

Conclusion

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 reviewed the relevant data, considered any comments received, and determined that air safety requires adopting this AD as proposed. Accordingly, the FAA is issuing this AD to address the unsafe condition on these products. Except for minor editorial changes, this AD is adopted as proposed in the NPRM. None of the changes will increase the economic burden on any operator.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed EASA AD 2024–0197, which specifies procedures for replacing affected SLGOCs and prohibiting the installation of affected

SLGOCs. 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.

Costs of Compliance
The FAA estimates that this AD affects 2,018 airplanes of U.S. registry.

The FAA estimates the following costs to comply with this AD:

ESTIMATED COSTS FOR REQUIRED ACTIONS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Retained actions from AD 2023–25–09 (1,964 airplanes).	2 work-hours × \$85 per hour = \$170	\$4,570	\$4,740	\$9,309,360
New actions (54 airplanes)	2 work-hours × \$85 per hour = \$170	4,570	4,740	255,960

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

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA’s authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more detail the scope of the Agency’s authority.

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

Regulatory Findings

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
- (3) Will 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 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) 2023–25–09, Amendment 39–22636 (89 FR 242, January 3, 2024); and
 - b. Adding the following new AD:

2025–18–03 Airbus SAS: Amendment 39–23130; Docket No. FAA–2025–1104; Project Identifier MCAI–2024–00622–T.

(a) Effective Date

This airworthiness directive (AD) is effective October 20, 2025.

(b) Affected ADs

This AD replaces AD 2023–25–09, Amendment 39–22636 (89 FR 242, January 3, 2024) (AD 2023–25–09).

(c) Applicability

This AD applies to all Airbus SAS airplanes identified in paragraphs (c)(1) through (6) of this AD, certificated in any category.

- (1) Model A318–111, –112, –121, and –122 airplanes.
- (2) Model A319–111, –112, –113, –114, –115, –131, –132, –133, –151N, –153N, and –171N airplanes.
- (3) Model A320–211, –212, –214, –216, –231, –232, –233, –251N, –252N, –253N, –271N, –272N, and –273N airplanes.
- (4) Model A321–111, –112, –131, –211, –212, –213, –231, –232, –251N, –251NX, –252N, –252NX, –253N, –253NX, –253NY,

–271N, –271NX, –272N, and –272NX airplanes.

(5) Model A330–201, –202, –203, –223, –223F, –243, –243F, –301, –302, –303, –321, –322, –323, –341, –342, –343, –841, and –941 airplanes.

(6) Model A340–211, –212, –213, –311, –312, –313, –541, and –642 airplanes.

(d) Subject

Air Transport Association (ATA) of America Code 35, Oxygen.

(e) Unsafe Condition

This AD was prompted by a report that a production deficiency of some SafeLav gaseous oxygen container (SLGOC) batches was identified during production testing of newly manufactured oxygen containers, and by the determination that additional airplanes are affected by the unsafe condition. The FAA is issuing this AD to address missing heat treatment of the actuation pin of the SLGOC, which could cause its jamming, with consequent failure of oxygen flow activation. The unsafe condition, if not addressed, could result in lack of supplemental oxygen supply in case of decompression in the cabin/lavatory, possibly resulting in injury to lavatory occupants.

(f) Compliance

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

(g) Requirements

Except as specified in paragraphs (h) and (i) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, European Union Aviation Safety Agency (EASA) AD 2024–0197, dated October 18, 2024 (EASA AD 2024–0197).

(h) Exceptions to EASA AD 2024–0197

(1) Where EASA AD 2024–0197 refers to “22 May 2023 [the effective date of EASA AD 2023–0094]”, this AD requires using “February 7, 2024 (the effective date of AD 2023–25–09)”.

(2) Where EASA AD 2024–0197 refers to its effective date, this AD requires using the effective date of this AD.

(3) This AD does not adopt the “Remarks” section of EASA AD 2024–0197.

(i) No Reporting Requirement

Although the material referenced in EASA AD 2024–0197 specifies to submit certain information to the manufacturer, this AD does not include that requirement.

(j) Additional AD Provisions

The following provisions also apply to this AD:

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

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

(3) *Required for Compliance (RC)*: Except as required by paragraphs (i) and (j)(2) of this AD, if any material referenced in EASA AD 2024–0197 contains paragraphs that are labeled as RC, the instructions in RC paragraphs, including subparagraphs under an RC paragraph, must be done to comply with this AD; any paragraphs, including subparagraphs under those paragraphs, that are not identified as RC are recommended. The instructions in paragraphs, including subparagraphs under those paragraphs, not identified as RC may be deviated from using accepted methods in accordance with the operator's maintenance or inspection program without obtaining approval of an AMOC, provided the instructions identified as RC can be done and the airplane can be put back in an airworthy condition. Any substitutions or changes to instructions identified as RC require approval of an AMOC.

(k) Additional Information

For more information about this AD, contact Nicole S. Tsang, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206–231–3959; email: Nicole.S.Tsang@faa.gov.

(l) 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) European Union Aviation Safety Agency (EASA) AD 2024–0197, dated October 18, 2024.

(ii) [Reserved]

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

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

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

Issued on August 28, 2025.

Peter A. White,

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

[FR Doc. 2025–17786 Filed 9–12–25; 8:45 am]

BILLING CODE 4910–13–P

COMMODITY FUTURES TRADING COMMISSION**17 CFR Part 38**

RIN 3038–AF63

Withdrawal of Commission Guidance

AGENCY: Commodity Futures Trading Commission.

ACTION: Notice of withdrawal of Commission Guidance.

SUMMARY: The Commodity Futures Trading Commission (the “Commission” or “CFTC”) is withdrawing final guidance published on October 15, 2024, titled “Commission Guidance Regarding the Listing of Voluntary Carbon Credit Derivative Contracts.”

DATE: The Commission is withdrawing the final guidance published at 89 FR 83378 (October 15, 2024) as of September 10, 2025.

FOR FURTHER INFORMATION CONTACT: Rahul Varma, Acting Director, (202) 418–5353, rvarma@cftc.gov, Division of Market Oversight, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street NW, Washington, DC 20581.

SUPPLEMENTARY INFORMATION:**Background**

On October 15, 2024, the Commission published in the **Federal Register** final guidance for designated contract markets (“DCMs”) regarding the listing of voluntary carbon credit (“VCC”)

derivatives contracts.¹ Specifically, the final guidance outlined factors for consideration by DCMs when addressing certain provisions of the Commodity Exchange Act (“CEA”), and CFTC regulations thereunder, that are relevant to the design and listing for trading of VCC derivatives contracts (the “VCC Guidance”). The VCC Guidance was intended to assist DCMs with understanding how the Commission's existing regulatory framework applies to VCC derivatives contracts. The VCC Guidance was also intended to help DCMs advance the standardization of such products in a manner that promotes transparency and liquidity.²

Withdrawal of Final Guidance

The Commission is withdrawing the VCC Guidance as section 5c of the CEA and Commission regulations in parts 38 and 40 already set forth the regulatory framework for listing VCC derivatives contracts.

After careful review, the Commission believes that the VCC Guidance provides limited value to DCMs when listing VCC derivatives contracts. The VCC Guidance, which is explicitly non-binding,³ does not create new compliance obligations or product listing standards for DCMs. As such, the VCC Guidance has not provided DCMs with any new regulatory structure or standards that resulted in the advancement of market transparency or liquidity for VCC derivatives contracts.

Further, VCC contracts should be evaluated in the same manner as any other derivatives contract listed on a DCM. The Commission's review of VCC derivatives contracts is consistent with its well-established approach for reviewing all derivatives contracts as set out in parts 38 and 40 of the Commission's regulations. As a result of issuing the VCC Guidance, the Commission believes that it placed a disproportionate focus on a particular class of derivative contracts, which could lead to confusion and inconsistencies in DCMs' implementation of the CEA and Commission regulations, as well as the Commission's application of the product listing regulatory frameworks in parts 38 and 40 of its regulations. A uniform regulatory framework for listing contracts on a DCM, as already established in the Commission's regulations, best serves market

¹ Commission Guidance Regarding the Listing of Voluntary Carbon Credit Derivative Contracts, 89 FR 83378 (Oct. 15, 2024).

² *Id.* at 83378 and 83385.

³ *Id.* at 83400.

transparency, expectations, fairness, and integrity.

Executive Order 12866

The Office of Management and Budget has determined that this action is not a significant regulatory action as defined in Executive Order 12866, as amended, and therefore it was not subject to Executive Order 12866 review.

Pursuant to the Congressional Review Act,⁴ the Office of Information and Regulatory Affairs has designated this rule as not a “major rule,” as defined by 5 U.S.C. 804(2).

Issued in Washington, DC, on September 11, 2025, by the Commission.

Robert Sidman,

Deputy Secretary of the Commission.

Note: The following appendix will not appear in the Code of Federal Regulations.

Appendix to Withdrawal of Commission Guidance—Commission Voting Summary

On this matter, Acting Chairman Pham voted in the affirmative. No Commissioner voted in the negative.

[FR Doc. 2025–17793 Filed 9–12–25; 8:45 am]

BILLING CODE 6351–01–P

DEPARTMENT OF THE INTERIOR

Bureau of Safety and Environmental Enforcement

30 CFR Parts 203, 250, and 254

[Docket ID: BSEE–2025–0005; EEEE500000 245E1700D2 ET1SF0000.EAQ000]

RIN 1014–AA65

Restoration of Names That Honor American Greatness; Gulf of America

AGENCY: Bureau of Safety and Environmental Enforcement (BSEE), Interior.

ACTION: Final rule.

SUMMARY: This final rule will, throughout the Bureau of Safety and Environmental Enforcement’s regulations, rename the area formerly known as the Gulf of Mexico (GOM) as the Gulf of America (GOA). The Gulf of America is the U.S. Continental Shelf area bounded on the northeast, north, and northwest by the States of Texas, Louisiana, Mississippi, Alabama, and Florida and extending to the seaward boundary with Mexico and Cuba.

DATES: This rule is effective on September 15, 2025.

FOR FURTHER INFORMATION CONTACT: Kirk Malstrom, Chief, Regulations and

Standards Branch, (202) 258–1518, or by email: regs@bsee.gov.

SUPPLEMENTARY INFORMATION:

I. Background and Legal Authority

On January 20, 2025, the President signed Executive Order (E.O.) 14172, Restoring Names that Honor American Greatness. This E.O. directs the Secretary of the Interior (Secretary) to take all appropriate actions to rename as the “Gulf of America” the U.S. Continental Shelf area bounded on the northeast, north, and northwest by the States of Texas, Louisiana, Mississippi, Alabama, and Florida and extending to the seaward boundary with Mexico and Cuba in the area formerly named as the Gulf of Mexico. BSEE is removing all references to the Gulf of Mexico from its regulations. BSEE is updating all its references in the Code of Federal Regulations (CFR) to the Gulf of America or (GOA), consistent with 43 U.S.C. 364 through 364f. (a). BSEE is promulgating this final rule to implement the directive of E.O. 14172 and for good cause finds that a proposed rule is unnecessary pursuant to 5 U.S.C. 553(b)(B). Public notice and comment is unnecessary because this rule makes minor technical amendments to conform the language of the regulations with the directive of E.O. 14172. Updating the name for the Gulf of America region imposes no substantive changes and does not impact the public’s rights or obligations. Accordingly, this final rule is exempt from public notice and comment rulemaking requirements under 5 U.S.C. 553(b)(B).

The area formerly known as the Gulf of Mexico has long been an integral asset to our once burgeoning Nation and has remained an indelible part of America. The Gulf was a crucial artery for America’s early trade and global commerce. It is the largest gulf in the world, and the United States coastline along this remarkable body of water spans over 1,700 miles and contains nearly 160 million acres. Its natural resources and wildlife remain central to America’s economy today. The bountiful geology of this basin has made it one of the most prodigious oil and gas regions in the world, providing roughly 14 percent of our Nation’s crude-oil production and an abundance of natural gas, and consistently driving new and innovative technologies that have allowed us to tap into some of the deepest and richest oil reservoirs in the world. The Gulf is also home to vibrant American fisheries teeming with snapper, shrimp, grouper, stone crab, and other species, and it is recognized

as one of the most productive fisheries in the world, with the second largest volume of commercial fishing landings by region in the Nation, contributing millions of dollars to local American economies. The Gulf is also a favorite destination for American tourism and recreation activities. Further, the Gulf is a vital region for the multi-billion-dollar U.S. maritime industry, providing some of the largest and most impressive ports in the world. The Gulf will continue to play a pivotal role in shaping America’s future and the global economy, and in recognition of this flourishing economic resource and its critical importance to our Nation’s economy and its people.

II. Procedural Requirements

A. Regulatory Planning and Review (E.O. 12866 and 13563)

E.O. 12866 provides that the OMB Office of Information and Regulatory Affairs (OIRA) will review all significant rules. OIRA has determined that this rule is not significant.

E.O. 13563 reaffirms the principles of E.O. 12866 while calling for improvements in the Nation’s regulatory system to promote predictability, to 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. E.O. 13563 further emphasizes that regulations must be based on the best available science and that the rulemaking process must allow for public participation and an open exchange of ideas. We have developed this rule in a manner consistent with these requirements, to the extent permitted by statute.

B. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) requires an agency to prepare a regulatory flexibility analysis for rules unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule. (See 5 U.S.C. 603(a) and 604(a)). This rule is exempt from the requirement to publish a proposed rule for notice and comment pursuant to 5 U.S.C. 553(b)(B). Thus, the RFA does not apply to this rulemaking.

⁴ 5 U.S.C. 801 *et seq.*

C. Small Business Regulatory Enforcement Fairness Act

This rule is not a major rule under 5 U.S.C. 804(2), the Small Business Regulatory Enforcement Fairness Act. This rule:

- (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.

D. Unfunded Mandates Reform Act

This rule does not impose an unfunded mandate on State, local, or Tribal governments, or the private sector of more than \$100 million per year. The rule does not have a significant or unique effect on State, local, or Tribal governments or the private sector. Therefore, a statement containing the information required by the Unfunded Mandates Reform Act (2 U.S.C. 1531 *et seq.*) is not required.

E. Takings (E.O. 12630)

This rule does not effect a taking of private property or otherwise have takings implications under E.O. 12630. Therefore, a takings implication assessment is not required.

F. Federalism (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. To the extent that State and local governments have a role in Outer Continental Shelf activities, this rule will not affect that role. Therefore, a federalism summary impact statement is not required.

G. Civil Justice Reform (E.O. 12988)

This rule complies with the requirements of E.O. 12988. Specifically, this rule:

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

H. Consultation With Indian Tribes (E.O. 13175 and Departmental Policy)

The Department of the Interior strives to strengthen its government-to-

government relationship with Indian Tribes through a commitment to consultation and recognition of their right to self-governance and Tribal sovereignty. We have evaluated this rule under the Department of the Interior's consultation policy, Departmental Manual Part 512 Chapters 4 and 5, and under the criteria in E.O. 13175. We have determined that this final rule has no substantial direct effects on federally recognized Indian Tribes or Alaska Native Claims Settlement Act (ANCSA) Corporations, and that consultation under the Department of the Interior's Tribal and ANCSA consultation policies is not required.

I. Paperwork Reduction Act

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

J. National Environmental Policy Act

This rule does not constitute a major Federal action significantly affecting the quality of the human environment. A detailed statement under the National Environmental Policy Act (NEPA) is not required because, as a regulation of an administrative nature, this rule is covered by a categorical exclusion (*see* 43 CFR 46.210(i)). BSEE also determined that the rule does not implicate any of the extraordinary circumstances listed in 43 CFR 46.215 that would require further analysis under NEPA. Therefore, a detailed statement under NEPA is not required.

K. Effects on the Energy Supply (E.O. 13211)

This rule is not a significant energy action under the definition in E.O. 13211. Therefore, a statement of energy effects is not required.

List of Subjects

30 CFR Part 203

Continental shelf, Indians—lands, Oil and gas exploration, Public lands—mineral resources, Sulfur.

30 CFR Part 254

Administrative practice and procedure, Continental shelf, Environmental impact statements, Environmental protection, Government contracts, Investigations, Oil and gas exploration, Penalties, Pipelines, Continental Shelf—mineral resources, Continental Shelf—rights-of-way, Reporting and recordkeeping requirements, Sulfur.

30 CFR Part 254

Continental shelf, Environmental protection, Intergovernmental relations, Oil and gas exploration, Oil pollution, Pipelines, Public lands—mineral resources, Reporting and recordkeeping requirements.

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

For the reasons stated in the preamble, BSEE amends 30 CFR parts 203, 250, and 254 as follows.

PART 203—RELIEF OR REDUCTION IN ROYALTY RATES

- 1. The authority citation for 30 CFR part 203 continues to read as follows:

Authority: 25 U.S.C. 396 *et seq.*; 25 U.S.C. 396a *et seq.*; 25 U.S.C. 2101 *et seq.*; 30 U.S.C. 181 *et seq.*; 30 U.S.C. 351 *et seq.*; 30 U.S.C. 1001 *et seq.*; 30 U.S.C. 1701 *et seq.*; 31 U.S.C. 9701; 42 U.S.C. 15903–15906; 43 U.S.C. 1301 *et seq.*; 43 U.S.C. 1331 *et seq.*; and 43 U.S.C. 1801 *et seq.*

- 2. Amend § 203.0 by revising the definitions of “Authorized field”; “Development project”, “Eligible lease”, “Expansion project”, and “Pre-Act” to read as follows:

§ 203.0 What definitions apply to this part?

Authorized field means a field:

- (1) Located in a water depth of at least 200 meters and in the Gulf of America (GOA) west of 87 degrees, 30 minutes West longitude;

- (2) That includes one or more pre-Act leases; and

- (3) From which no current pre-Act lease produced, other than test production, before November 28, 1995.

* * * * *

Development project means a project to develop one or more oil or gas reservoirs located on one or more contiguous leases that have had no production (other than test production) before the current application for royalty relief and are either:

- (1) Located in a planning area offshore Alaska; or

- (2) Located in the GOA in a water depth of at least 200 meters and wholly west of 87 degrees, 30 minutes West longitude, and were issued in a sale held after November 28, 2000.

* * * * *

Eligible lease means a lease that:

- (1) Is issued as part of an OCS lease sale held after November 28, 1995, and before November 28, 2000;

- (2) Is located in the Gulf of America in water depths of 200 meters or deeper;

- (3) Lies wholly west of 87 degrees, 30 minutes West longitude; and

(4) Is offered subject to a royalty suspension volume.

* * * * *

Expansion project means a project that meets the following requirements:

(1) You must propose the project in a (BOEM) Development and Production Plan, a BOEM Development Operations Coordination Document (DOCD), or a BOEM Supplement to a DOCD, approved by the Secretary of the Interior after November 28, 1995.

(2) The project must be located on either:

(i) A pre-Act lease in the GOA, or a lease in the GOA issued in a sale held after November 28, 2000, located wholly west of 87 degrees, 30 minutes West longitude; or

(ii) A lease in a planning area offshore Alaska.

(3) On a pre-Act lease in the GOA, the project:

(i) Must significantly increase the ultimate recovery of resources from one or more reservoirs that have not previously produced (extending recovery from reservoirs already in production does not constitute a significant increase); and

(ii) Must involve a substantial capital investment (*e.g.*, fixed-leg platform, subsea template and manifold, tension-leg platform, multiple well project, *etc.*).

(4) For a lease issued in a planning area offshore Alaska, or in the GOA after November 28, 2000, the project must involve a new well drilled into a reservoir that has not previously produced.

(5) On a lease in the GOA, the project must not include a reservoir the

production from which an RSV under §§ 203.30 through 203.36 or §§ 203.40 through 203.48 would be applied.

* * * * *

Pre-Act lease means a lease that:

(1) Results from a sale held before November 28, 1995;

(2) Is located in the GOA in water depths of 200 meters or deeper; and

(3) Lies wholly west of 87 degrees, 30 minutes West longitude.

* * * * *

■ 3. Amend § 203.1 by revising paragraphs (b), (c), and (d) to read as follows:

§ 203.1 What is BSEE's authority to grant royalty relief?

* * * * *

(b) Under 43 U.S.C. 1337(a)(3)(B), we may reduce, modify, or eliminate any royalty or net profit share to promote development, increase production, or encourage production of marginal resources on certain leases or categories of leases. This authority is restricted to leases in the GOA that are west of 87 degrees, 30 minutes West longitude, and in the planning areas offshore Alaska.

(c) Under 43 U.S.C. 1337(a)(3)(C), we may suspend royalties for designated volumes of new production from any lease if:

(1) Your lease is in deep water (water at least 200 meters deep);

(2) Your lease is in designated areas of the GOA (west of 87 degrees, 30 minutes West longitude);

(3) Your lease was acquired in a lease sale held before the DWRRA (before November 28, 1995);

(4) We find that your new production would not be economic without royalty relief; and

(5) Your lease is on a field that did not produce before enactment of the DWRRA, or if you propose a project to significantly expand production under a Development Operations Coordination Document (DOCD) or a supplementary DOCD, that the Bureau of Ocean Energy Management (BOEM) approved after November 28, 1995.

(d) Under 42 U.S.C. 15904–15905, we may suspend royalties for designated volumes of gas production from deep and ultra-deep wells on a lease if:

(1) Your lease is in shallow water (water less than 400 meters deep) and you produce from an ultra-deep well (top of the perforated interval is at least 20,000 feet TVD SS) or your lease is in waters entirely more than 200 meters and entirely less than 400 meters deep and you produce from a deep well (top of the perforated interval is at least 15,000 feet TVD SS);

(2) Your lease is in the designated area of the GOA (wholly west of 87 degrees, 30 minutes west longitude); and

(3) Your lease is not eligible for deep water royalty relief.

■ 4. Amend § 203.2 by revising paragraphs (b) through (g) in the table to read as follows:

§ 203.2 How can I obtain royalty relief?

* * * * *

If you have a lease . . .	And if you . . .	Then we may grant you . . .
* * *	* * *	* * *
(b) Located in a designated GOA deep water area (<i>i.e.</i> , 200 meters or greater) and acquired in a lease sale held before November 28, 1995, or after November 28, 2000,	Propose an expansion project and can demonstrate your project is uneconomic without royalty relief,	A royalty suspension for a minimum production volume plus any additional production large enough to make the project economic (see §§ 203.60 through 203.79).
(c) Located in a designated GOA deep water area and acquired in a lease sale held before November 28, 1995 (<i>Pre-Act lease</i>),	Are on a field from which no current pre-Act lease produced (other than test production) before November 28, 1995, (<i>Authorized field</i>),	A royalty suspension for a minimum production volume plus any additional volume needed to make the field economic (see §§ 203.60 through 203.79).
(d) Located in a designated GOA deep water area and acquired in a lease sale held after November 28, 2000,	Propose a development project and can demonstrate that the suspension volume, if any, for your lease is not enough to make development economic,	A royalty suspension for a minimum production volume plus any additional volume needed to make your project economic (see §§ 203.60 through 203.79).
(e) Where royalty relief would recover significant additional resources or, offshore Alaska or in certain areas of the GOA, would enable development,	Are not eligible to apply for end-of-life or deep water royalty relief, but show us you meet certain eligibility conditions,	A royalty modification in size, duration, or form that makes your lease or project economic (see § 203.80).
(f) Located in a designated GOA shallow water area and acquired in a lease sale held before January 1, 2001, or after January 1, 2004, or have exercised an option to substitute for royalty relief in your lease terms,	Drill a deep well on a lease that is not eligible for deep water royalty relief and you have not previously produced oil or gas from a deep well or an ultra-deep well,	A royalty suspension for a volume of gas produced from successful deep and ultra-deep wells, or, for certain unsuccessful deep and ultra-deep wells, a smaller royalty suspension for a volume of gas or oil produced by all wells on your lease (see §§ 203.40 through 203.49).

If you have a lease . . .	And if you . . .	Then we may grant you . . .
(g) Located in a designated GOA shallow water area, * * *	Drill and produce gas from an ultra-deep well on a lease that is not eligible for deep water royalty relief and you have not previously produced oil or gas from an ultra-deep well, * * *	A royalty suspension for a volume of gas produced from successful ultra-deep and deep wells on your lease (see §§ 203.30 through 203.36). * * *
■ 5. Amend § 203.30 by revising paragraph (a) to read as follows: § 203.30 Which leases are eligible for royalty relief as a result of drilling a phase 2 or phase 3 ultra-deep well? * * * (a) The lease is located in the GOA wholly west of 87 degrees, 30 minutes West longitude in water depths entirely less than 400 meters deep. * * * ■ 6. Amend § 203.31 by revising paragraph (d) introductory text to read as follows: § 203.31 If I have a qualified phase 2 or qualified phase 3 ultra-deep well, what royalty relief would that well earn for my lease? * * * (d) The following examples illustrate how this section applies. These examples assume that your lease is located in the GOA west of 87 degrees, 30 minutes West longitude and in water less than 400 meters deep (see § 203.30(a)), has no existing deep or ultra-deep wells and that the price thresholds prescribed in § 203.36 have not been exceeded. * * * ■ 7. Amend § 203.40 by revising paragraph (a) to read as follows: § 203.40 Which leases are eligible for royalty relief as a result of drilling a deep well or a phase 1 ultra-deep well? * * *	(a) The lease is located in the GOA wholly west of 87 degrees, 30 minutes West longitude in water depths entirely less than 400 meters deep. * * * ■ 8. Amend § 203.49 by revising paragraph (a) to read as follows: § 203.49 May I substitute the deep gas drilling provisions in this part for the deep gas royalty relief provided in my lease terms? (a) You may exercise an option to replace the applicable lease terms for royalty relief related to deep-well drilling with those in § 203.0 and §§ 203.40 through 203.48 if you have a lease issued with royalty relief provisions for deep-well drilling. Such leases: (1) Must be issued as part of an OCS lease sale held after January 1, 2001, and before April 1, 2004; and (2) Must be located wholly west of 87 degrees, 30 minutes West longitude in the GOA entirely or partly in water less than 200 meters deep. * * * ■ 9. Amend § 203.60 by revising the section heading to read as follows: § 203.60 Who may apply for royalty relief on a case-by-case basis in deep water in the Gulf of America or offshore of Alaska? ■ 10. Amend § 203.61 by revising paragraph (a) to read as follows: § 203.61 How do I assess my chances for getting relief? * * *	(a) To request a nonbinding assessment, you must: (1) Submit a draft application in the format and detail specified in guidance from the BSEE regional office for the GOA; (2) Propose to drill at least one more appraisal well if you get a favorable assessment; and (3) Pay a fee under § 203.3. * * * ■ 11. Amend § 203.62 by revising paragraph (b) to read as follows: § 203.62 How do I apply for relief? * * * (b) Your application for royalty relief offshore Alaska or in deep water in the GOA must include an original and two copies (one set of digital information) of: (1) Administrative information report; (2) Economic viability and relief justification report; (3) G&G report; (4) Engineering report; (5) Production report; and (6) Cost report. * * * ■ 12. Amend § 203.69 by revising paragraphs (e) and (f) to read as follows: § 203.69 If my application is approved, what royalty relief will I receive? * * * (e) If neither paragraph (c) nor (d) of this section apply, the <i>minimum</i> royalty suspension volumes are as shown in the following table:
For . . .	The minimum royalty suspension volume is . . .	Plus . . .
(1) RS leases in the GOA or leases offshore Alaska,	A volume equal to the combined royalty suspension volumes (or the volume equivalent based on the data in your approved application for other forms of royalty suspension) with which BSEE issued the leases participating in the application that have or plan a well into a reservoir identified in the application,	10 percent of the median of the distribution of known recoverable resources upon which BSEE based approval of your application from all reservoirs included in the project.
(2) Leases offshore Alaska or other deep water GOA leases issued in sales after November 28, 2000,	A volume equal to 10 percent of the median of the distribution of known recoverable resources upon which BSEE based approval of your application from all reservoirs included in the project	

(f) If your application includes pre-Act leases in different categories of water depth, we apply the minimum royalty suspension volume for the deepest such lease then assigned to the field. We base the water depth and makeup of a field on the water-depth delineations in the “Lease Terms and Economic Conditions” map and the “Fields Directory” documents and updates in effect at the time your application is deemed complete. These publications are available from the BSEE Gulf of America Regional Office.

■ 13. Amend § 203.78 by revising paragraph (a) to read as follows:

§ 203.78 Do I keep relief approved by BSEE under this part for my lease, unit or project if prices rise significantly?

(a) The following table shows the base price threshold for various types of leases, subject to paragraph (b) of this section. Note that, for post-November 2000 deepwater leases in the GOA price thresholds apply on a lease basis, so different leases on the same development project or expansion project approved for royalty relief may have different price thresholds.

For . . .	The base price threshold is . . .
(1) Pre-Act leases in the GOA,	set by statute.
(2) Post-November 2000 deep water leases in the GOA or leases offshore of Alaska for which the lease or Notice of Sale set a base price threshold,	indicated in your original lease agreement or, if none, those in the Notice of Sale under which your lease was issued.
(3) Post-November 2000 deep water leases in the GOA or leases offshore of Alaska for which the lease or Notice of Sale did not set a base price threshold,	the threshold set by statute for pre-Act leases.

* * * * *

■ 14. Amend § 203.80 by revising the introductory paragraph to read as follows:

§ 203.80 When can I get royalty relief if I am not eligible for royalty relief under other sections in the subpart?

We may grant royalty relief when it serves the statutory purposes summarized in § 203.1 and our formal relief programs, including but not limited to the applicable levels of the royalty suspension volumes and price thresholds, provide inadequate

encouragement to promote development or increase production. Unless your lease lies offshore of Alaska or wholly west of 87 degrees, 30 minutes West longitude in the GOA, your lease must be producing to qualify for relief. Before you may apply for royalty relief apart from our programs for end-of-life leases or for pre-Act deep water leases and development and expansion projects, we must agree that your lease or project has two or more of the following characteristics:

* * * * *

■ 15. Amend § 203.86 by revising paragraph (a) to read as follows:

§ 203.86 What is in a G&G report?

* * * * *

- (a) Seismic data which includes:
 - (1) Non-interpreted 2D/3D survey lines reflecting any available state-of-the-art processing technique in a format readable by BSEE and specified by the deep water royalty relief guidelines;
 - (2) Interpreted 2D/3D seismic survey lines reflecting any available state-of-the-art processing technique identifying all known and prospective pay horizons, wells, and fault cuts;
 - (3) Digital velocity surveys in the format of the GOA region’s letter to lessees of 10/1/90;
 - (4) Plat map of “shot points;” and
 - (5) “Time slices” of potential horizons.

* * * * *

PART 250—OIL AND GAS AND SULPHUR OPERATIONS IN THE OUTER CONTINENTAL SHELF

■ 16. The authority citation for part 250 continues to read as follows:

Authority: 30 U.S.C. 1751, 31 U.S.C. 9701, 33 U.S.C. 1321(j)(1)(C), 43 U.S.C. 1334.

■ 17. In § 250.105:

- a. Remove the definitions for “Eastern Gulf of Mexico” and “Western Gulf of Mexico”; and
- b. Add the definitions in alphabetical order for “Eastern Gulf of America” and “Western Gulf of America”.

The additions read as follows:

§ 250.105 Definitions.

* * * * *

Eastern Gulf of America—means all OCS areas of the Gulf of America the BOEM Director decides are adjacent to the State of Florida. The Eastern Gulf of America is not the same as the Eastern Planning Area, an area established for OCS lease sales.

* * * * *

Western Gulf of America means all OCS areas of the Gulf of America except those the BOEM Director decides are

adjacent to the State of Florida. The Western Gulf of America is not the same as the Western Planning Area, an area established for OCS lease sales.

* * * * *

■ 18. Amend § 250.150 by revising the section heading to read as follows:

§ 250.150 How do I name facilities and wells in the Gulf of America Region?

■ 19. Amend § 250.154 by revising paragraph (a)(3) to read as follows:

§ 250.154 What identification signs must I display?

(a) * * *

(3) Your identification sign must:

- (i) List the name of the lessee or designated operator;
- (ii) In the GOA–OCS Region, list the area designation or abbreviation and the block number of the facility location as depicted on OCS Official Protraction Diagrams or leasing maps;
- (iii) In the Pacific OCS Region, list the lease number on which the facility is located; and
- (iv) List the name of the platform, structure, artificial island, or mobile offshore drilling unit.

* * * * *

■ 20. Amend § 250.192 by revising paragraphs (a)(1) through (4) to read as follows:

§ 250.192 What reports and statistics must I submit relating to a hurricane, earthquake, or other natural occurrence?

(a) * * *

(1) Submit the statistics by fax or email (for activities in the BSEE GOA–OCS Region, use Form BSEE–0132) as soon as possible when evacuation occurs. In lieu of submitting your statistics by fax or email, you may submit them electronically in accordance with 30 CFR 250.186(a)(3);

(2) Submit the statistics on a daily basis by 11 a.m., as conditions allow, during the period of shut-in and evacuation;

(3) Inform BSEE when you resume production; and

(4) Submit the statistics either by BSEE district, or the total figures for your operations in a BSEE region.

* * * * *

■ 21. Amend § 250.743 by revising paragraph (a) to read as follows:

§ 250.743 What are the well activity reporting requirements?

(a) For operations in the BSEE Gulf of America (GOA) OCS Region, you must submit Form BSEE–0133, Well Activity Report (WAR), to the District Manager on a weekly basis. The reporting week is defined as beginning on Sunday (12 a.m.) and ending on the following

Saturday (11:59 p.m.). This reporting week corresponds to a week (Sunday through Saturday) on a standard calendar. Report any well operations that extend past the end of this weekly reporting period on the next weekly report. The reporting period for the weekly report is never longer than 7 days, but could be less than 7 days for the first reporting period and the last reporting period for a particular well operation. Submit each WAR and accompanying Form BSEE-0133S, Open Hole Data Report, to the BSEE GOA-OCS Region no later than close of business on the Friday immediately after the closure of the reporting week. The District Manager may require more frequent submittal of the WAR on a case-by-case basis.

* * * * *

■ 22. Amend § 250.904 by revising paragraph (a) to read as follows:

§ 250.904 What is the Platform Approval Program?

(a) The Platform Approval Program is the BSEE basic approval process for platforms on the OCS. The requirements of the Platform Approval Program are described in §§ 250.904 through 250.908 of this subpart. Completing these requirements will satisfy BSEE criteria for approval of fixed platforms of a proven design that will be placed in the shallow water areas (≤400 ft.) of the Gulf of America OCS.

* * * * *

■ 23. Amend § 250.1010 by revising paragraph (f)(2) to read as follows:

§ 250.1010 General requirements for pipeline right-of-way holders.

* * * * *

(f) * * *

(2) Unless otherwise exempted by FERC pursuant to 43 U.S.C. 1334(f)(2), the holder shall:

(i) Provide open and nondiscriminatory access to a right-of-way pipeline to both owner and nonowner shippers, and

(ii) Comply with the provisions of 43 U.S.C. 1334(f)(1)(B) under which FERC may order an expansion of the throughput capacity of a right-of-way pipeline which is approved after September 18, 1978, and which is not located in the Gulf of America or the Santa Barbara Channel.

* * * * *

■ 24. Amend § 250.1704 by revising paragraphs (a) and (c) in the table to read as follows:

§ 250.1704 What decommissioning applications and reports must I submit and when must I submit them?

* * * * *

DECOMMISSIONING APPLICATIONS AND REPORTS TABLE

Decommissioning applications and reports	When to submit	Instructions
(a) Initial platform removal application [not required in the Gulf of America OCS Region].	In the Pacific OCS Region or Alaska OCS Region, submit the application to the Regional Supervisor at least 2 years before production is projected to cease.	Include information required under § 250.1726.
* * *	* * *	* * *
(c) Final removal application for a platform or other facility.	Before removing a platform or other facility in the Gulf of America OCS Region, or not more than 2 years after the submittal of an initial platform removal application to the Pacific OCS Region and the Alaska OCS Region.	Include information required under § 250.1727.
* * *	* * *	* * *

PART 254—OIL-SPILL RESPONSE REQUIREMENTS FOR FACILITIES LOCATED SEAWARD OF THE COAST LINE

■ 25. The authority citation for part 254 continues to read as follows:

Authority: 33 U.S.C. 1321.

■ 26. Amend § 254.7 by revising paragraph (b) to read as follows:

§ 254.7 How do I submit my OSRP to the BSEE?

* * * * *

(b) Send OSRPs for facilities in the Gulf of America or Atlantic Ocean to: Bureau of Safety and Environmental Enforcement, Oil Spill Preparedness Division, Attention: GOA Section Supervisor, 1201 Elmwood Park

Boulevard, New Orleans, LA 70123–2394.

* * * * *

Adam G. Suess,

Acting Assistant Secretary, Land and Minerals Management.

[FR Doc. 2025–17775 Filed 9–12–25; 8:45 am]

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 147

[EPA–HQ–OW–2025–0087; FRL–11786–02–OW]

Arizona Underground Injection Control (UIC) Program; Class I–VI Primacy

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The U.S. Environmental Protection Agency (EPA) is approving an application from the State of Arizona (the State) that requests primary enforcement responsibility (primacy) for Class I–VI injection wells under the Safe Drinking Water Act (SDWA) section 1422. The EPA's approval of the State's UIC program primacy application will allow the Arizona Department of Environmental Quality (ADEQ) to authorize underground injection for all underground injection wells regulated under the SDWA within the State's jurisdiction and ensure compliance with UIC program requirements. The EPA will remain the permitting authority for all well classes on Indian lands within the State, except for Class II wells on Navajo Indian lands for which the EPA has granted the Navajo Nation primacy for the SDWA Class II UIC program.

DATES: This final rule is effective on October 15, 2025. The incorporation by reference of certain material listed in

this rule is approved by the Director of the Federal Register as of October 15, 2025. For judicial purposes, this final rule is promulgated as of October 15, 2025.

ADDRESSES: The EPA has established a docket for this action under Docket ID No. EPA-HQ-OW-2025-0087. All documents in the docket are listed on the <http://www.regulations.gov> website. Although listed in the index, some information is not publicly available, e.g., 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 electronically through <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Mary Hastings Puckett, Drinking Water Infrastructure Development Division, Office of Ground Water and Drinking Water (4606M), Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460; telephone number: (202) 564-1525; or Kate Rao, Water Division, Groundwater Protection Section (WTR-4-2), Environmental Protection Agency, Region 9, 75 Hawthorne Street, San Francisco, CA 94105; telephone number: (415) 972-3533. Both can be reached by emailing UICprimacy@epa.gov.

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I. Introduction

A. Federal UIC Program and Primary Enforcement Authority (Primacy)

The SDWA protects public health by regulating the nation’s public drinking water supply, including both surface and groundwater sources. Among other things the SDWA requires the EPA to develop minimum requirements for effective State and Tribal UIC programs to prevent underground injection of fluids (such as water, wastewater, brines from oil and gas production, and carbon dioxide) from endangering underground sources of drinking water (USDWs). In general, USDWs are aquifers or parts of aquifers that supply a public water system or contain enough groundwater of sufficient quality to supply a public water system. See 40 CFR 144.3 (defining USDW).

The EPA’s UIC program regulates various aspects of injection. These include technical aspects throughout the lifetime of the project from site characterization, construction, operation, and testing and monitoring through site closure, as well as permitting, site inspections, and reporting to ensure well owners and operators comply with UIC permits and regulations.

SDWA section 1421 directs the EPA to establish requirements that States, territories, and authorized Tribes must meet to be granted primary enforcement responsibility or “primacy” for a UIC program. 42 U.S.C. 300h. SDWA section 1422 provides that an applicant seeking primacy for a UIC program must demonstrate to the EPA that the applicant’s proposed UIC program meets the applicable requirements promulgated by the EPA pursuant to section 1421 for protecting USDWs. 42 U.S.C. 300h–300h–1. An applicant must demonstrate, among other things, jurisdiction over underground injection and that it possesses the administrative, civil, and criminal enforcement authorities required by the EPA’s implementing regulations. See 40 CFR part 145, subpart B. After the EPA approves a State for UIC program

primacy, the State’s UIC program may be revised with EPA approval. See 40 CFR 145.32.

The EPA evaluates each primacy application in accordance with SDWA section 1422 and the EPA’s implementing regulations to determine whether the State has satisfactorily demonstrated that, after reasonable notice and public hearings, it has adopted and will implement a UIC program that meets the requirements of the SDWA regulations at 40 CFR parts 144, 145, and 146.

In this final rule, the EPA is approving Arizona’s primacy application to administer the UIC program for six classes of wells (Classes I–VI) in the state. EPA’s approval is based on the Agency’s determination that the application meets all applicable requirements for approval under SDWA section 1422 and the EPA’s implementing regulations and that the State is capable of administering a UIC program in a manner consistent with the SDWA and applicable UIC regulations. The EPA will remain the permitting authority for all UIC well classes on Indian land within the State, except for Class II wells on Navajo Indian lands for which EPA has granted the Navajo Nation primacy for the SDWA Class II UIC program. The EPA will oversee Arizona’s administration of the State’s UIC program as authorized under the SDWA.

B. Class I–VI Wells Under the UIC Program

The UIC program consists of six classes of injection wells. Each well class is based on the type and depth of the injection activity and the potential for that injection activity to result in the endangerment of a USDW. Class I wells are used to inject wastes into deep isolated rock formations. Class II wells are used to inject fluids related to oil and natural gas production, primarily to enhance recovery of oil and gas or to dispose into rock formations wastewater associated with oil or gas production. Class III wells are used to inject fluids to dissolve and extract minerals. Class IV wells are used to inject hazardous and radioactive wastes into or above USDWs and are only allowed as part of an EPA- or State-authorized groundwater clean-up action. Class V wells are used to inject non-hazardous fluids underground, typically into or above a USDW, and range from simple shallow wells to complex experimental injection technologies. Most Class V wells are “low-tech”, depending on gravity to drain fluids directly below the land surface and include dry wells, cesspools, and septic system leach

fields. Class VI wells are used to inject carbon dioxide into deep rock formations for the purpose of long-term underground storage, also known as geologic sequestration. 40 CFR 144.6.

The UIC program provides multiple safeguards that work together to protect USDWs and human health from injection activities. To operate an injection well, operators must receive authorization by permit, or by rule in certain circumstances, through the UIC program. Operators must obtain a permit that authorizes injection in accordance with specific statutory and regulatory conditions. A draft of each permit is made available for public comment before the decision is made whether to issue a final permit. Qualifying Class V wells that meet certain requirements can be authorized by rule after the operator submits required information describing the injection activity, location, operating status, and operator contact information. All wells must be operated according to applicable UIC program requirements for the injection activity.

II. Legal Authorities

The statutory authority for this final rule is SDWA sections 1422 and 1450, 42 U.S.C. 300h–1 and 300j–9.

SDWA section 1421 requires the EPA promulgate requirements for effective State UIC programs to prevent underground injection activities that endanger USDWs. 42 U.S.C. 300h. SDWA section 1422 requires that applicants seeking primacy approval demonstrate that they have adopted (after notice and public hearing) and will implement a UIC program which meets the requirements that the EPA promulgated under SDWA section 1421. 42 U.S.C. 300h–1.

The EPA has promulgated regulations setting forth the applicable procedures and substantive requirements for applicants seeking primacy approval for UIC programs under SDWA section 1422. The regulations in 40 CFR part 144 outline general program requirements that States must meet to obtain primacy. The regulations in 40 CFR part 145 specify the procedures the EPA will follow in approving, revising, and withdrawing UIC programs and outlines the elements and provisions that an applicant must include in its application for primacy. 40 CFR part 145 also includes requirements for State UIC permitting programs (by reference to certain provisions of 40 CFR parts 124 and 144), compliance evaluation programs, enforcement authority, and the sharing of information between the EPA and the State. The regulations in 40 CFR part 146 contain the technical

criteria and standards applicable to each well class.

III. Arizona's Application for Primacy

A. Background

On February 16, 2024, Arizona applied to the EPA under SDWA section 1422 to administer a UIC program for Class I–VI injection wells located within the State, except those located on Indian lands. Arizona's requirements for UIC wells would be codified and implemented in lieu of the Federal UIC requirements currently in effect in the State. See 40 CFR part 147, subpart D. Arizona's UIC program primacy application includes a letter from the Governor requesting UIC program primacy approval, a complete description of the State's UIC program, an Attorney General's statement, copies of all applicable State statutes and regulations, a summary and the results of the State's public-participation activities, and a Memorandum of Agreement (MOA) between Arizona and the EPA's Region 9 Office. The EPA reviewed the application for completeness and performed a technical and legal evaluation of the application materials to assess and confirm that Arizona's proposed UIC program meets Federal requirements.

B. Public Participation Activities Conducted by Arizona

1. UIC Program Development Stakeholder Engagement

In order to have State regulatory authority in place prior to seeking EPA approval of its UIC program, ADEQ conducted stakeholder outreach and engagement to inform the general public, the regulated community, and Tribes of ADEQ's rule development process and to explain and present early drafts of the applicable State UIC rules. ADEQ held nine general stakeholder and three Tribal consultation events from December 2017 to October 2019. ADEQ received and considered hundreds of comments from the regulated community and other stakeholders on these early drafts of the State rules.

2. State Rulemaking

On October 1, 2021, ADEQ filed a notice of imminent SDWA–UIC rulemaking with the Arizona Secretary of State asserting its intent to adopt the UIC program. On January 7, 2022, ADEQ filed three notices of proposed rulemaking for licensing time frames and UIC program rules and fees, which were followed by a comment period of more than 30 days. ADEQ held a public hearing on February 14, 2022, the final

day of the written comment period. ADEQ received a total of 77 discrete written and oral comments on the proposed rules. Commenters shared concerns on licensing time frames, fees, drywells, underground storage or recharge facilities, UIC septic regulation, program scope or jurisdiction, and Tribal consultation, among other topics. ADEQ considered all the comments and adjusted the proposed rules as summarized in the responsiveness summary. The Arizona UIC regulations became effective on September 6, 2022.

3. Proposal To Request UIC Program Primacy

On October 15, 2023, ADEQ published notice in two Arizona newspapers, through its website, and by email distribution to stakeholders, seeking public comment on the State's proposed application for primacy for the UIC program. ADEQ held a public comment period from October 15, 2023, to November 20, 2023, on the State's intent to seek primacy. ADEQ also held a virtual public hearing on November 20, 2023. ADEQ received 1 oral comment and 21 discrete written comments. The commenters shared concerns with the primacy application, including language regarding aquifer exemptions, permit transition upon primacy, Federal UIC policies, permit templates, regulatory differences between the State's Aquifer Protection Program and the SDWA UIC program, and minor editorial comments such as incorrect cross references. These comments were considered and addressed by ADEQ as summarized in the responsiveness summary and did not result in any significant changes to the proposed primacy application.

Documentation of Arizona's public participation activities, including comments received and responses by ADEQ, can be found in EPA Docket ID No. EPA–HQ–OW–2025–0087.

C. Summary of the EPA's Comprehensive Evaluation

The EPA evaluates primacy applications in accordance with SDWA section 1422 and the agency's implementing regulations to determine whether an applicant has satisfactorily demonstrated that it has adopted, after reasonable notice and public hearings, and will implement, a UIC program that meets applicable regulatory requirements. 42 U.S.C. 300h–1(b)(1)(A)(i). The EPA conducted a comprehensive technical and legal evaluation of Arizona's primacy application to determine whether the State's UIC program—including statutes and regulations, program description,

Attorney General statement, MOA, and documentation of public participation—demonstrates that Arizona has met the requirements of SDWA section 1422. Upon review, the EPA determined that Arizona has adopted and will implement a UIC program that meets the requirements of 40 CFR parts 144, 145, and 146.

The EPA evaluated Arizona's UIC program description for consistency with 40 CFR 145.23, which lists all the information that must be submitted as part of the program description. The EPA's evaluation of the UIC program description included reviewing the scope, structure, coverage, and processes of the State's program. The EPA assessed Arizona's permitting, administrative, and judicial review procedures, as well as the State's permit application, reporting, and manifest forms. The EPA also reviewed the State's compliance evaluation program and enforcement authorities and the State's demonstration that its UIC program will have adequate in-house staff or access to contractor support for technical areas including site characterization, modeling, well construction and testing, financial responsibility, and regulatory and risk analysis.

The EPA evaluated Arizona's Attorney General's statement for consistency with 40 CFR 145.24. In an Attorney General's statement, the State's top legal officer affirms that applicable statutes, regulations, and judicial decisions demonstrate adequate authority to administer the UIC program as described in the program description and consistent with the EPA's regulatory requirements for UIC programs. The EPA confirms that the Arizona Attorney General's statement certifies that Arizona's environmental audit privilege, which protects certain self-reported information, will not affect the ability of the State to meet the enforcement and information gathering requirements under the SDWA, nor will it prevent the public from obtaining information about noncompliance or prevent the public from bringing citizen suits under the SDWA.

The EPA determined that the MOA, which was duly signed by EPA Region 9 and ADEQ, meets the requirements at 40 CFR 145.25. The MOA is the central agreement setting the provisions and arrangements between the State and the EPA concerning the administration, implementation, and enforcement of the State UIC program. The EPA's evaluation includes ensuring that the MOA contains the necessary provisions pertaining to agreements on coordination, permitting, compliance

monitoring, enforcement, and EPA oversight.

Arizona has demonstrated that it has the legal authority to implement all UIC permit requirements found in 40 CFR 145.11. Arizona's UIC permitting provisions, established under SDWA section 1422, meet the minimum Federal requirements in 40 CFR parts 124 and 144 through 146. The State has incorporated necessary procedures pursuant to 40 CFR 145.12 to support a robust UIC compliance evaluation program. Additionally, Arizona has the necessary administrative, civil, and criminal enforcement authorities pursuant to 40 CFR 145.13. Arizona's UIC regulations regarding permitting, inspection, operation, and monitoring meet requirements in 40 CFR parts 145 and 146. Arizona's reporting and recordkeeping requirements meet the requirements in 40 CFR 144.54 and 40 CFR part 146.

As a result of this comprehensive review, the EPA approves Arizona's primacy application based on the Agency's determination that the application meets all applicable requirements for primacy approval under SDWA section 1422 and that the State has demonstrated that it is prepared to implement its UIC program in a manner consistent with the SDWA and all applicable UIC regulations.

D. Public Participation Activities Conducted by the EPA

On February 29, 2024, the EPA Region 9 Water Division Director sent a letter via email to Arizona Tribal leaders offering an opportunity for Government-to-Government consultation on Arizona's application for primacy to administer the UIC program. On March 14, 2024, the EPA Region 9 hosted a Tribal informational meeting and listening session for Arizona's application for primacy to administer the UIC Program. One Tribe, the Navajo Nation, attended the informational meeting and followed up with a letter of support for Arizona administering the UIC program. Another Tribe, the Gila River Indian Community (GRIC), requested that the EPA meet with them separately to present and discuss the information shared at the meeting on March 14, 2024. The EPA met with GRIC representatives on March 22, 2024. GRIC asked questions about differences between the implementation and oversight of the Federal versus State UIC program, and the primacy approval process and EPA responded.

On May 19, 2025, the EPA published a proposed rulemaking in the **Federal Register** (90 FR 21264) to approve Arizona's application to implement a

UIC program for all injection well classes within the State. The proposal established a public comment period that closed on July 3, 2025. The EPA held a public hearing on June 25, 2025, that participants could attend virtually, as well as by phone. The EPA published notice of the hearing on the EPA's website, in the *Arizona Daily Star* and the *Arizona Republic* newspapers, and sent an email notification to each of Arizona's federally recognized Tribal leaders.

IV. Public Comments and the EPA's Response

A. Public Comments

During the public comment period, the EPA received eleven written comments and two oral comments on the proposal from individuals and stakeholder organizations, including GRIC, the Ground Water Protection Council, the Grand Canyon Chapter of the Sierra Club, the Consumer Energy Alliance, the American Petroleum Institute, the American Mining Association, and the Arizona Chamber of Commerce and Energy.

The EPA considered these comments in the development of this final rule. All comments are available as part of the public record and can be accessed through the EPA's docket (ID No. EPA-HQ-OW-2025-0087). Documentation of the EPA's public participation activities, including comments received and the EPA's comment response document, can also be found in the docket (ID. No. EPA-HQ-OW-2025-0087).

B. The EPA's Response to Comments

The EPA received comments both supporting and opposing the proposed approval of UIC program primacy for the State of Arizona, as well as some comments outside the scope of the primacy approval action.

Commenters in support of Arizona's UIC program primacy approval stated that ADEQ's UIC rules meet or exceed the EPA's UIC requirements, that ADEQ has conducted adequate outreach and engagement related to its UIC primacy application, and that the State's request is consistent with the principles of cooperative federalism outlined in the five pillars of the EPA Administrator's Powering the Great American Comeback Initiative. They also stated that Arizona's primacy application shows that the State takes program compliance and enforcement seriously. They stated that Arizona is heavily invested in protecting its drinking water sources, as shown by how Arizona water providers use Managed Aquifer Recharge (MAR)—a water management technique to store

available freshwater underground and which often utilizes UIC Class V injection wells. They commented that ADEQ has a better understanding of the State and local needs, is more readily accessible to stakeholders, has intimate knowledge of historic UIC operations, has an extensive knowledge and understanding of the State's aquifers and geology, and has demonstrated a strong commitment to transparency through extensive stakeholder engagements. Lastly, commenters stated that with ADEQ's dedicated UIC staff positions, the State has the capacity for timely review and action on UIC permit applications and rule applications and further, that the State's UIC program includes licensing time frame requirements for ADEQ, which provide predictability and certainty with respect to the timing of permit decisions.

Commenters opposing Arizona's UIC program primacy approval stated concerns about vulnerable communities in low-income and rural areas as well as those on Tribal lands who may be overburdened by pollution. One commenter stated that permitting actions could impact the groundwater quality on Tribal lands and impact cultural resources located off Tribal lands. Commenters asserted that Arizona and ADEQ have been underfunded and, therefore, lack the staffing and resources needed to stand up to powerful polluters, to regulate carbon capture and storage projects safely and effectively, and to protect groundwater quality. Commenters also raised concerns related to Arizona's limited water supply and potential threats posed by UIC wells. Lastly, commenters stated concerns about ADEQ's current online tools and public information systems and questioned whether they are adequate to track and evaluate potential threats from injection wells.

Comments received outside the scope of this primacy approval action included concerns about fracking activity, the direct and indirect costs of producing and burning fossil fuels, the lack of international considerations, whether the EPA has the authority to "delegate" the UIC program to a State, and the fitness of leadership within the EPA. The EPA has noted and addressed all topics, including out-of-scope topics, in the Agency's response to comments document included in the docket (ID. No. EPA-HQ-OW-2025-0087).

V. The EPA's Action

A. Incorporation by Reference

The EPA is approving the State of Arizona's UIC program primacy

application for regulating Class I–VI injection wells in the State, except for those located on Indian lands. This action would amend 40 CFR 147.150 and 147.151 and incorporate by reference Arizona's EPA-approved statutes and regulations that contain standards, requirements, and procedures applicable to UIC well owners or operators within the State. Any provisions incorporated by reference, as well as all permit conditions issued pursuant to such provisions, are enforceable by the EPA pursuant to SDWA section 1423, 42 U.S.C. 300h–2, and 40 CFR 147.1(e).

The EPA compiled the applicable Arizona statutes and regulations to be incorporated by reference into 40 CFR 147.150 in a document titled "Arizona SDWA § 1422 Underground Injection Control Program Statutes and Regulations to be Incorporated by Reference," dated March 24, 2025. This compilation is publicly available in the EPA's Docket No. EPA-HQ-OW-2025-0087 for this rulemaking <https://www.regulations.gov>. The EPA will codify a table in 40 CFR 147.150 listing the EPA-approved Arizona Statutes and Regulations for Well Classes I–VI that will be incorporated by reference. Additionally, the EPA lists the other Arizona statutes and regulations containing standards and procedures that constitute elements of the State's approved UIC program that do not apply directly to owners or operators in the amendment to 40 CFR 147.150. In accordance with 40 CFR 147.1(c), these other statutes and regulations are not incorporated by reference.

B. The EPA's Oversight

The EPA will oversee Arizona's administration of its UIC program, including by requiring quarterly reports on instances of permittee non-compliance and annual UIC performance reports pursuant to 40 CFR 144.8. The MOA between the EPA Region 9 and ADEQ specifies that the EPA will oversee the State's administration of the UIC program on a continuing basis to assure that such administration is consistent with the program MOA, the SDWA and implementing regulations, UIC grant agreements, and other applicable requirements.

VI. Statutory and Executive Order Reviews

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

A. Executive Order 12866: Regulatory Planning and Review

This action is exempt from review under Executive Order 12866, because the Office of Management and Budget (OMB) has exempted, as a category, the approval of State UIC programs.

B. Executive Order 14192: Unleashing Prosperity Through Deregulation

Executive Order 14192 does not apply because actions that approve State UIC Programs are exempted from review under Executive Order 12866.

C. Paperwork Reduction Act (PRA)

This action will not impose an information collection burden under the PRA. OMB has previously approved the information collection activities contained in the existing regulations and has assigned OMB control number 2040–0042. Reporting or recordkeeping requirements will be based on Arizona's UIC regulations, and the State of Arizona is not subject to the PRA.

D. Regulatory Flexibility Act (RFA)

I certify that this action will not have a significant economic impact on a substantial number of small entities under the RFA. This action will not impose any additional burdens on small entities as this action codifies a State program already in effect and transfers primary implementation authority from the EPA to a State program with substantially the same requirements.

E. Unfunded Mandates Reform Act (UMRA)

This action does not contain an unfunded mandate as described in UMRA, 2 U.S.C. 1531–1538, and does not significantly or uniquely affect small governments. The action imposes no enforceable duty on any State, local, or Tribal governments or the private sector. The EPA's approval of Arizona's UIC program will not constitute a Federal mandate because there is no requirement that a State establish a UIC regulatory program and the program is a State program, rather than a Federal program.

F. Executive Order 13132: Federalism

This action does not have federalism implications. It will not have substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.

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

This action does not have Tribal implications as specified in Executive Order 13175. This action contains no Federal mandates for Tribal governments and does not impose any enforceable duties on Tribal governments. Thus, Executive Order 13175 does not apply to this action.

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

The EPA interprets Executive Order 13045 as applying only to those regulatory actions that concern environmental health or safety risks that the EPA has reason to believe may disproportionately affect children, per the definition of “covered regulatory action” in section 2–202 of the Executive Order. This action is not subject to Executive Order 13045 because it approves a State program.

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

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

J. National Technology Transfer and Advancement Act (NTTAA)

This rulemaking does not involve technical standards.

K. Congressional Review Act (CRA)

This final rule is subject to the CRA, and the 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).

VII. References

- Attorney General’s Statement, signed by the Assistant Attorney General, Office of the Arizona Attorney General, September 5, 2024.
- Letter from Governor of Arizona to Regional Administrator, EPA Region 9, February 16, 2024.
- Memorandum of Agreement between the State of Arizona Department of Environmental Quality and the Environmental Protection Agency,

- Region 9, signed by the EPA Regional Administrator on March 24, 2025.
- Notice of Nomination of Karen Peters to serve as Director of Environmental Quality, signed by Governor Katie Hobbs, February 19, 2025.
- Underground Injection Control State of Arizona Primacy Application, Copies of all applicable State statutes and regulations, including those governing State administrative procedures, drafted by Arizona Department of Environmental Quality. March 10, 2025.
- Underground Injection Control Primacy Application, Program Description “Arizona Department of Environmental Quality Underground Injection Control Program Description 40 CFR 145.23.” March 2025.
- Underground Injection Control State of Arizona Primacy Application, Public Participation Showing, drafted by Arizona Department of Environmental Quality, February 18, 2025.
- U.S. Environmental Protection Agency. Proposed “Arizona SDWA § 1422 Underground Injection Control Program Statutes and Regulations to be Incorporated by Reference.” March 25, 2025. Office of Water.
- U.S. Environmental Protection Agency. Arizona UIC Primacy Tribal Consultation Offer Letter. February 29, 2024.
- U.S. Environmental Protection Agency. Tribal Informational Meeting and Listening Session. Arizona’s Application for Primacy to Administer the Underground Injection Control Program. USEPA Region 9 Groundwater Protection Section—Slide Presentation March 14, 2024.

List of Subjects in 40 CFR Part 147

Environmental protection, Incorporation by reference, Indian—lands, Intergovernmental relations, Reporting and recordkeeping requirements, Water supply.

Lee Zeldin,
Administrator.

For the reasons set forth in the preamble, the EPA hereby amends 40 CFR part 147 as follows:

PART 147—STATE, TRIBAL, AND EPA-ADMINISTERED UNDERGROUND INJECTION CONTROL PROGRAMS

- 1. The authority citation for part 147 continues to read as follows:
Authority: 42 U.S.C. 300f *et seq.*; and 42 U.S.C. 6901 *et seq.*
- 2. Add § 147.150 to read as follows:

§ 147.150 State-administered program—Classes I, II, III, IV, V and VI wells.

The UIC program for Classes I, II, III, IV, V and VI wells in the State of Arizona, except those on Indian lands, is the program administered by the Arizona Department of Environmental Quality, approved by the EPA pursuant to section 1422 of the SDWA. The effective date of this program is October 15, 2025. The UIC program for Classes I, II, III, IV, V and VI wells in the State of Arizona, except those located on Indian lands, consists of the following elements, as submitted to the EPA in the State’s primacy application.

(a) *Incorporation by reference.* The requirements set forth in the State statutes and regulations approved by the EPA in “Arizona SDWA § 1422 Underground Injection Control Program Statutes and Regulations to be Incorporated by Reference”, dated March 24, 2025, and listed in table 1 to this paragraph (a), are hereby incorporated by reference and made a part of the applicable UIC program under the SDWA for the State of Arizona. The Director of the Federal Register approves this incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies of the State of Arizona’s statutes and regulations that are incorporated by reference may be obtained from the State of Arizona Research Library located at 1901 West Madison, Phoenix, Arizona 85009. Copies of the State of Arizona’s statutes and regulations that are incorporated by reference may be inspected at the U.S. Environmental Protection Agency, Region 9, 75 Hawthorne Street, San Francisco, CA 94105 and the U.S. Environmental Protection Agency, Water Docket, EPA Docket Center (EPA/DC), EPA WJC West, Room 3334, 1301 Constitution Ave. NW, Washington, DC 20004. If you wish to obtain materials from the EPA Regional Office, please call (415) 972–3533, or from the EPA Headquarters Library, please call the Water Docket at (202) 566–2426. You may also 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.inspections@nara.gov.

TABLE 1 TO PARAGRAPH (a)—EPA-APPROVED ARIZONA SDWA SEC. 1422 UNDERGROUND INJECTION CONTROL PROGRAM STATUTES AND REGULATIONS FOR WELL CLASSES I, II, III, IV, V AND VI

State citation	Title/subject	State effective date	EPA approval date
Arizona Revised Statute (ARS) 49–257.01 (B) and (C).	Underground injection control permit program; permits; prohibitions; rules.	September 24, 2022	September 15, 2025.

TABLE 1 TO PARAGRAPH (a)—EPA-APPROVED ARIZONA SDWA SEC. 1422 UNDERGROUND INJECTION CONTROL PROGRAM STATUTES AND REGULATIONS FOR WELL CLASSES I, II, III, IV, V AND VI—Continued

State citation	Title/subject	State effective date	EPA approval date
ARS 49–263 (A), (E), and (I)	Criminal violations; classification; definition	August 3, 2018	September 15, 2025.
ARS 49–921	Definitions	April 29, 1993	September 15, 2025.
ARS 13–105.30	Definitions	April 14, 2011	September 15, 2025.
Arizona Administrative Code Title 18, Chapter 9, Article 6.	Underground Injection Control	September 6, 2022	September 15, 2025.

(b) *Other laws.* The following statutes and regulations although not incorporated by reference, also are part of the approved State-administered program:

(1) A.R.S. section 1–211 (General Rules of Statutory Construction);

(2) A.R.S. sections 13–107, 801, and 803 (Criminal Code);

(3) A.R.S. sections 18–106 (Information Technology);

(4) A.R.S. sections 41–1001, 1001.02, 1002, 1003 through 1010, 1011 through 1013, 1021 through 1067, 1072 through 1093.07, and 2051 (Administrative Procedure);

(5) A.R.S. sections 44–7001 through 7061 (Electronic Transactions);

(6) A.R.S. sections 49–104, 203, 205, 208, 224, 250, 257, 257.01(A) and (D), 261–262, 263 (B–D) and (F–H), 264, 265, 321 through 324, 922, and 1403 (The Environment);

(7) A.A.C. R18–1–501 through 525 and Table 10 (Licensing Timeframes);

(8) A.A.C. R18–9–103, C301 through C304, and E323 (Water Pollution Control); and

(9) A.A.C. R18–14–101 through 115 (Water Quality Protection Fees).

(c) *Memorandum of Agreement (MOA).* The Memorandum of Agreement between the State of Arizona and the EPA, Region 9, signed by the EPA Regional Administrator on March 24, 2025.

(d) *Letter from Governor.* Letter from the Governor of Arizona to the Regional Administrator, EPA Region 9, signed on February 16, 2024.

(e) *Statement of legal authority.* Attorney General's Statement, signed by the Attorney General of Arizona on September 5, 2024.

(f) *Program Description.* The Program Description, "Arizona Department of Environmental Quality Underground Injection Control Program Description (40 CFR 145.23)", and any other materials submitted as part of the application or amendment thereto.

■ 3. Revise § 147.151 to read as follows:

§ 147.151 EPA-administered program.

(a) *Contents.* The UIC program that applies to all injection activities on Indian lands in Arizona, except for

Class II wells on Navajo Indian lands for which EPA has granted the Navajo Nation primacy for the SDWA Class II UIC program (as defined in § 147.3400), is administered by EPA. The UIC program for Navajo Indian lands, except for Class II wells on Navajo Indian lands for which EPA has granted the Navajo Nation primacy for the SDWA Class II UIC program, consists of the requirements contained in subpart HHH of this part. The program for all injection activity except that on Navajo Indian lands consists of the UIC program requirements of parts 124, 144, 146, and 148 of this title, and any additional requirements set forth in the remainder of this subpart. Injection well owners and operators, and EPA, shall comply with the requirements of this paragraph (a).

(b) *Effective dates.* The effective date for the UIC program on Indian lands in Arizona, except for the lands of the Navajo Indians, is June 25, 1984. The effective date for the UIC program on the lands of the Navajo, except for Class II wells on Navajo Indian lands for which EPA has granted the Navajo Nation primacy for the SDWA Class II UIC program (as defined in § 147.3400), is November 25, 1988.

[FR Doc. 2025–17769 Filed 9–12–25; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 679

[Docket No. 250312–0036; RTID 0648–XE947]

Fisheries of the Exclusive Economic Zone Off Alaska; Blackspotted and Rougheye Rockfish in the Central Aleutian and Western Aleutian Districts of the Bering Sea and Aleutian Islands Management Area

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

ACTION: Temporary rule; closure.

SUMMARY: NMFS is prohibiting retention of blackspotted and rougheye rockfish in the Central Aleutian Island and Western Aleutian Island districts (CAI/WAI) of the Bering Sea and Aleutian Islands management area (BSAI). This action is necessary because the 2025 blackspotted and rougheye rockfish total allowable catch (TAC) in the CAI/WAI of the BSAI will soon be or has been reached.

DATES: Effective 1200 hours, Alaska local time (A.l.t.), September 11, 2025, through 2400 hours, A.l.t., December 31, 2025.

FOR FURTHER INFORMATION CONTACT: Steve Whitney, 907–206–6783.

SUPPLEMENTARY INFORMATION: NMFS manages the groundfish fishery in the BSAI according to the Fishery Management Plan for Groundfish of the Bering Sea and Aleutian Islands Management Area (FMP) prepared and recommended by the North Pacific Fishery Management Council under authority of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act). Regulations governing fishing by U.S. vessels in accordance with the FMP appear at subpart H of 50 CFR part 600 and 50 CFR part 679.

The 2025 blackspotted and rougheye rockfish TAC in the CAI/WAI of the BSAI is 298 metric tons as established by the final 2025 and 2026 harvest specifications for groundfish in the BSAI (90 FR 12640, March 18, 2025). The Administrator for the Alaska Region of NMFS has determined that the 2025 blackspotted and rougheye rockfish TAC in the CAI/WAI of the BSAI will soon be or has been reached. Therefore, in accordance with § 679.20(d)(2), NMFS is prohibiting retention of blackspotted and rougheye in the CAI/WAI of the BSAI and requiring that blackspotted and rougheye rockfish in the CAI/WAI of the BSAI be treated in the same manner as a prohibited species, as described under § 679.21(a), for the remainder of the year. Blackspotted and rougheye rockfish species in the CAI/WAI caught by

catcher vessels using hook-and-line, pot, or jig gear as described in § 679.20(j). This action is necessary to prevent exceeding the 2025 blackspotted and rougheye TAC in the CAI/WAI of the BSAI.

Classification

NMFS issues this action pursuant to section 305(d) of the Magnuson-Stevens Act. This action is required by 50 CFR part 679, which was issued pursuant to section 304(b) of the Magnuson-Stevens Act, and is exempt from review under Executive Order 12866.

Pursuant to 5 U.S.C. 553(b)(B), there is good cause to waive prior notice and

an opportunity for public comment on this action, as notice and comment would be impracticable and contrary to the public interest, as it would prevent NMFS from responding to the most recent fisheries data in a timely fashion and would delay prohibiting retention of blackspotted and rougheye rockfish in the CAI/WAI of the BSAI. NMFS was unable to publish a notice providing time for public comment because the most recent, relevant data on the total catch of blackspotted and rougheye in the CAI/WAI of the BSAI only became available as of September 10, 2025.

The Assistant Administrator for Fisheries of NOAA also finds good cause to waive the 30-day delay in the effective date of this action under 5 U.S.C. 553(d)(3). This finding is based upon the reasons provided above for waiver of prior notice and opportunity for public comment.

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

Dated: September 11, 2025.

Kelly Denit,

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

[FR Doc. 2025–17771 Filed 9–11–25; 4:15 pm]

BILLING CODE 3510–22–P

Proposed Rules

Federal Register

Vol. 90, No. 176

Monday, September 15, 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-2025-2541; Project Identifier MCAI-2024-00390-E]

RIN 2120-AA64

Airworthiness Directives; Rolls-Royce Deutschland Ltd & Co KG Engines

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 Rolls-Royce Deutschland Ltd & Co KG (RRD) Model RB211 Trent 768-60, 772-60, and 772B-60 engines. This proposed AD was prompted by a report that a batch of low pressure (LP) compressor blades are more prone to cracking due to a deviation from the approved blade configuration design. This proposed AD would require removal from service of the affected LP compressor blades and replacement with a serviceable part. The FAA is proposing this AD to address the unsafe condition on these products.

DATES: The FAA must receive comments on this NPRM by October 30, 2025.

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

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

- *Fax:* (202) 493-2251.

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

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

AD Docket: You may examine the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2025-2541; or in person at

Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The street address for Docket Operations is listed above.

Material Incorporated by Reference:

- For European Union Aviation Safety Agency (EASA) material identified in this proposed AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; phone: +49 221 8999 000; email: ADs@easa.europa.eu; website: easa.europa.eu. You may find this material on the EASA website at ad.easa.europa.eu.

- You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 1200 District Avenue, Burlington, MA 01803. For information on the availability of this material at the FAA, call (817) 222-5110.

FOR FURTHER INFORMATION CONTACT:

Barbara Caufield, Aviation Safety Engineer, FAA, 2200 South 216th Street, Des Moines, WA 98198; phone: (781) 238-7146; email: barbara.caufield@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-2025-2541; Project Identifier MCAI-2024-00390-E" at the beginning of your comments. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may amend this proposal because of those comments.

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

Confidential Business Information

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as "PROPIN." The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this NPRM. Submissions containing CBI should be sent to Barbara Caufield, 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

EASA, which is the Technical Agent for the Member States of the European Union, has issued EASA AD 2024-0130, dated July 8, 2024 (EASA AD 2024-0130) (also referred to as the MCAI), to correct an unsafe condition on RRD Model RB211 Trent 768-60, 772-60, 772B-60, and 772C-60 engines. The MCAI states that a batch of LP compressor blades were exposed in service to improper repair procedures that resulted in blade configuration deviating from the approved design. These LP compressor blades that do not conform to the approved design, are prone to blade cracking. This condition, if not corrected, could lead to multiple structural failures of the affected parts, which could result in increased risk of in-flight shut down, engine fire, and uncontained high-energy debris release.

You may examine the MCAI in the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2025-2541.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed EASA AD 2024-0130. This material specifies procedures for removal from service of the affected LP compressor blades and replacement with a serviceable part. 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 MCAI described previously, except for any exceptions identified in the regulatory text of this proposed AD. See “Differences Between this Proposed AD

and the MCAI” for a discussion of the general differences included in this proposed AD.

Differences Between This Proposed AD and the MCAI

RRD Model RB211 Trent 772C–60 engines do not have an FAA type certificate, therefore this proposed AD does not include those engines in the applicability.

Explanation of Required Compliance Information

In the FAA’s ongoing efforts to improve the efficiency of the AD process, the FAA developed a process to use some civil aviation authority (CAA) ADs as the primary source of information for compliance with requirements for corresponding FAA ADs. The FAA has been coordinating this process with manufacturers and CAAs. As a result, the FAA proposes to incorporate EASA AD 2024–0130 by reference in the FAA final rule. This proposed AD would, therefore, require compliance with EASA AD 2024–0130 in its entirety through that

incorporation, except for any differences identified as exceptions in the regulatory text of this proposed AD. Using common terms that are the same as the heading of a particular section in EASA AD 2024–0130 does not mean that operators need comply only with that section. For example, where the AD requirement refers to “all required actions and compliance times,” compliance with this AD requirement is not limited to the section titled “Required Action(s) and Compliance Time(s)” in EASA AD 2024–0130. Material required by EASA AD 2024–0130 for compliance will be available at *regulations.gov* under Docket No. FAA–2025–2541 after the FAA final rule is published.

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect six engines installed on airplanes of U.S. registry.

The FAA estimates the following costs to comply with this proposed AD:

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Replace LP compressor blades	2 work-hours x \$85 per hour = \$170	\$138,000	\$138,170	\$829,020

The FAA has included all known costs in its cost estimate. According to the manufacturer, however, some of the costs of this proposed AD may be covered under warranty, thereby reducing the cost impact on affected operators.

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:

Rolls-Royce Deutschland Ltd & Co KG:
Docket No. FAA–2025–2541; Project Identifier MCAI–2024–00390–E.

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by October 30, 2025.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Rolls-Royce Deutschland Ltd & Co KG Model RB211 Trent 768–60, 772–60, and 772B–60 engines.

(d) Subject

Joint Aircraft System Component (JASC) Code 7230, Turbine Engine Compressor Section.

(e) Unsafe Condition

This AD was prompted by a report that a batch of low pressure compressor blades are more prone to cracking due to a deviation from the approved blade configuration design. The FAA is issuing this AD to prevent blade cracking. The unsafe condition, if not addressed, could lead to multiple structural failures of the affected parts, which could result in increased risk of in-flight shut down, engine fire, and uncontained high-energy debris release.

(f) Compliance

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

(g) Required Actions

Except as specified in paragraph (h) of this AD: Perform all required actions within the compliance times specified in, and in accordance with, European Union Aviation Safety Agency (EASA) AD 2024–0130, dated July 8, 2024 (EASA AD 2024–0130).

(h) Exceptions to EASA AD 2024–0130

(1) Where EASA AD 2024–0130 refers to its effective date, this AD requires using the effective date of this AD.

(2) This AD does not adopt the “Remarks” paragraph of EASA AD 2024–0130.

(i) Alternative Methods of Compliance (AMOCs)

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

(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 Barbara Caufield, Aviation Safety Engineer, FAA, 2200 South 216th Street, Des Moines, WA 98198; phone: (781) 238–7146; email: barbara.caufield@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) European Union Aviation Safety Agency (EASA) AD 2024–0130, dated July 8, 2024.

(ii) [Reserved]

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

(4) You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 1200 District Avenue, Burlington, MA 01803. 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 September 10, 2025.

Peter A. White,

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

[FR Doc. 2025–17717 Filed 9–12–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39**

[Docket No. FAA–2025–2543; Project Identifier MCAI–2025–00215–T]

RIN 2120–AA64

Airworthiness Directives; Airbus Canada Limited Partnership (Type Certificate Previously Held by C Series Aircraft Limited Partnership (CSALP); 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 certain Airbus Canada Limited Partnership Model BD–500–1A10 and BD–500–1A11 airplanes. This proposed AD was prompted by the discovery that titanium fasteners had been incorrectly installed in the butt strap at the outer wing box lower skin to center wing box interface in lieu of the correct nickel alloy fasteners. This proposed AD would require the identification of fasteners installed in the butt strap at the outer wing box lower skin to center wing box interface, and applicable on-condition actions. 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 October 30, 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–2025–2543; 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; telephone 888–663–3639; email TC.AirworthinessDirectives-Consignesdenavigabilite.TC@tc.gc.ca. You may find this material on the Transport Canada website at tc.canada.ca/en/aviation. It is also available at regulations.gov under Docket No. FAA–2025–2543.

- 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:

Aryanna Sanchez, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 817–222–4058; email: aryanna.t.sanchez@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–2025–2543; Project

Identifier MCAI–2025–00215–T” at the beginning of your comments. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may amend this proposal because of those comments.

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

Confidential Business Information

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as “PROPIN.” The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this NPRM. Submissions containing CBI should be sent to Aryanna Sanchez, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 817–222–4058; email: *aryanna.t.sanchez@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

Transport Canada, which is the aviation authority for Canada, has issued Transport Canada AD CF–2025–

09, dated February 24, 2025 (Transport Canada AD CF–2025–09) (also referred to as the MCAI), to correct an unsafe condition for certain Airbus Canada Limited Partnership Model BD–500–1A10 and BD–500–1A11 airplanes. The MCAI states that titanium fasteners (part number (P/N) B0206003GD) had been incorrectly installed in the butt strap at the outer wing box lower skin to center wing box interface in lieu of the correct nickel alloy fasteners (P/N B0206033GD). The use of titanium fasteners could result in a reduction in joint strength, and the risk of a fuel leak if the fastener fails and falls free from the joint. This condition, if not corrected, could cause damage to and loss of principal structure and fatigue critical structure.

The FAA is proposing this AD to address the unsafe condition on these products.

You may examine the MCAI in the AD docket at *regulations.gov* under Docket No. FAA–2025–2543.

Material Incorporated by Reference Under 1 CFR Part 51

Transport Canada AD CF–2025–09 specifies procedures for a detailed inspection to identify the part markings on the head of the fasteners, and applicable on-condition actions. On-condition actions include replacing non-serviceable fasteners (those not identified as HST54, HST154, HST254, B0201074, B0201074 with oversize code X, or B0201074 with oversize code Y). For non-serviceable fasteners, the replacement includes a detailed inspection to make sure that the fastener heads are not damaged; the fastener heads are installed within requirements; and there are no signs of loose fasteners, fasteners that rotated, or fasteners that moved.

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 in other products of the same type design.

Proposed AD Requirements in This NPRM

This proposed AD would require accomplishing the actions specified in Transport Canada AD CF–2025–09 described previously, except for any differences identified as exceptions in the regulatory text of this proposed AD.

Explanation of Required Compliance Information

In the FAA’s ongoing efforts to improve the efficiency of the AD process, the FAA developed a process to use some civil aviation authority (CAA) ADs as the primary source of information for compliance with requirements for corresponding FAA ADs. The FAA has been coordinating this process with manufacturers and CAAs. As a result, the FAA proposes to incorporate Transport Canada AD CF–2025–09 by reference in the FAA final rule. This proposed AD would, therefore, require compliance with Transport Canada AD CF–2025–09 in its entirety through that incorporation, except for any differences identified as exceptions in the regulatory text of this proposed AD. Material required by Transport Canada AD CF–2025–09 for compliance will be available at *regulations.gov* under Docket No. FAA–2025–2543 after the FAA final rule is published.

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect 79 airplanes of U.S. registry. The FAA estimates the following costs to comply with this proposed AD:

ESTIMATED COSTS FOR REQUIRED ACTIONS

Labor cost	Parts cost	Cost per product	Cost on U.S. operators
29 work-hours × \$85 per hour = \$2,465	\$0	\$2,465	\$194,735

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

the results of any required actions. The FAA has no way of determining the

number of aircraft that might need this on-condition action:

ESTIMATED COSTS OF ON-CONDITION ACTIONS

Labor cost	Parts cost	Cost per product
Up to 4 work-hours × \$85 per hour = \$340	Up to \$11,550	Up to \$11,890 (for 11 fasteners).

The FAA has included all known costs in its cost estimate. According to the manufacturer, however, some or all of the costs of this proposed AD may be covered under warranty, thereby reducing the cost impact on affected operators.

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:

Airbus Canada Limited Partnership (Type Certificate Previously Held by C Series Aircraft Limited Partnership (CSALP); Bombardier, Inc.): Docket No. FAA–2025–2543; Project Identifier MCAL–2025–00215–T.

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by October 30, 2025.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Airbus Canada Limited Partnership (Type Certificate previously held by C Series Aircraft Limited Partnership (CSALP); Bombardier, Inc.) Model BD–500–1A10 and BD–500–1A11 airplanes, certificated in any category, as identified in Transport Canada AD CF–2025–09, dated February 24, 2025 (Transport Canada AD CF–2025–09).

(d) Subject

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

(e) Unsafe Condition

This AD was prompted by the discovery that titanium fasteners had been incorrectly installed in the butt strap at the outer wing box lower skin to center wing box interface in lieu of the correct nickel alloy fasteners. The FAA is issuing this AD to address the use of titanium fasteners. The unsafe condition, if not addressed, could result in a reduction in joint strength, potential damage to and loss of principal structure and fatigue critical structure, and the risk of a fuel leak if the fastener fails and falls free from the joint.

(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–2025–09.

(h) Exceptions to Transport Canada AD CF–2025–09

(1) Where Transport Canada AD CF–2025–09 refers to its effective date, this AD requires using the effective date of this AD.

(2) Where Transport Canada AD CF–2025–09 refers to "10000 flight cycles", this AD requires replacing that text with "10,000 total flight cycles."

(i) No Reporting Requirement

Although the material referenced in Transport Canada AD CF–2025–09 specifies to submit certain information to the manufacturer, this AD does not include that requirement.

(j) Additional AD Provisions

The following provisions also apply to this AD:

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

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

(k) Additional Information

For more information about this AD, contact Aryanna Sanchez, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 817–222–4058; email: aryanna.t.sanchez@faa.gov.

(l) 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) Transport Canada AD CF–2025–09, dated February 24, 2025.

(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; telephone 888–663–3639; email TC.AirworthinessDirectives-Consignesdenavigabilite.TC@tc.gc.ca. You may find this material on the Transport Canada website at tc.canada.ca/en/aviation.

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

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

Issued on September 10, 2025.

Peter A. White,

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

[FR Doc. 2025–17732 Filed 9–12–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2025–2546; Project Identifier AD–2025–01060–T]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to supersede Airworthiness Directive (AD) 2024–19–14, which applies to certain The Boeing Company Model 777–200, 777–200LR, 777–300, 777–300ER, and 777F series airplanes. AD 2024–19–14 requires repetitive inspections and bond resistance measurement of the bonding jumpers on the first fuel feed tube installed immediately forward of the wing front spar at the left and right main fuel tank penetrations, and applicable corrective actions. Since the FAA issued AD 2024–19–14, the FAA determined that additional inspections are required to address the unsafe condition. This proposed AD would require repetitive detailed inspections (DET), repetitive

bond resistance measurement, and applicable on-condition actions. This proposed AD would also expand the applicability and require revising the existing maintenance or inspection program, as applicable, to incorporate a certain airworthiness limitation. 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 October 30, 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–2025–2546; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, any comments received, and other information. The street address for Docket Operations is listed above.

Material Incorporated by Reference:

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

- You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195. It is also available at regulations.gov under Docket No. FAA–2025–2546.

FOR FURTHER INFORMATION CONTACT: Samuel Dorsey, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206–231–3415; email: samuel.j.dorsey@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–2025–2546; Project Identifier AD–2025–01060–T” at the beginning of your comments. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may amend this proposal because of those comments.

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

Confidential Business Information

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as “PROPIN.” The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this NPRM. Submissions containing CBI should be sent to Samuel Dorsey, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206–231–3415; email: samuel.j.dorsey@faa.gov. Any commentary that the FAA receives that is not specifically designated as CBI will be placed in the public docket for this rulemaking.

Background

The FAA issued AD 2024–19–14, Amendment 39–22856 (89 FR 80077, October 2, 2024) (AD 2024–19–14), for certain The Boeing Company Model 777–200, 777–200LR, 777–300, 777–300ER, and 777F series airplanes. AD 2024–19–14 was prompted by a report of potential latent failures of the lightning protection features for the engine fuel feed system. AD 2024–19–14 requires repetitive inspections and bond resistance measurement of the bonding jumpers on the first fuel feed tube

installed immediately forward of the wing front spar at the left and right main fuel tank penetrations, and applicable corrective actions. The agency issued AD 2024–19–14 to address such latent failures.

As discussed in the preamble to AD 2024–19–14, the electrical bonding of the engine fuel feed tube penetrating the fuel tanks of Boeing Model 777 airplanes and other Boeing airplane models is the primary design feature to prevent the development of an ignition source inside the fuel tank during a lightning strike to the engine nacelle. The electrical protective features include the spar bulkhead fitting bond that redirects the majority of current during a lightning event. Separate bonding jumpers outside and inside the fuel tank provide additional electrical paths for current from lightning strikes. Poor electrical bonding of the spar bulkhead fitting and bonding jumpers has been reported on Model 747 and Model 777 airplanes.

In related rulemaking, the FAA issued AD 2023–23–14, Amendment 39–22616 (88 FR 83494, November 30, 2023) (AD 2023–23–14), to address this unsafe condition on Model 747 airplanes.

An additional non-electrical feature, an encapsulation seal over the side of the spar bulkhead fitting inside the fuel tank, provides additional protection from sparking at that location. The bulkhead fitting's encapsulation is designed to isolate any sparks or arcing generated at the bulkhead fitting during a lightning strike because of failed electrical bonds from flammable fuel vapors in the tank. This fitting, including the in-tank coupler connecting the fuel feed tube to the fitting, is the most probable location for sparking when electrical bonding is poor. Therefore, a failed encapsulation significantly increases the risk of a fuel tank explosion following a lightning strike to the engine nacelle on an airplane with poor electrical bonding. Analysis has shown that at least a subset of the encapsulation failures seen on Model 747 airplanes is expected on Model 777 airplanes.

The observed encapsulation failures are frequently associated with inadequate application of the encapsulation sealant. While failures are partly attributable to the design of the fitting and its associated coupler, sealant is frequently applied too thinly, does not cover the entire fitting and coupler, does not extend sufficiently onto the fuel feed tube, or the relevant surfaces are inadequately cleaned prior to application, preventing proper sealant adhesion.

The bulkhead fitting encapsulation is a unique sealant task. Most sealing tasks focus on fluid-tightness or other environmental protection between joined pieces of structure. The lightning protection function and complex shape of the bulkhead fitting encapsulation installation render it difficult to apply sealant properly using general sealing instructions. The manufacturer has communicated that it intends to publish an improved set of maintenance instructions in the Aircraft Maintenance Manual (AMM) to improve the consistency of encapsulation application. The sealant application instructions in the service information required by this proposed AD, as well as the revised Critical Design Configuration Control Limitation (CDCCL) specified in this proposed AD, are detailed and should be given special attention by maintenance personnel to ensure proper application of the bulkhead fitting encapsulation.

Actions Since AD 2024–19–14 Was Issued

Since the FAA issued AD 2024–19–14, the FAA determined that 777–300 Model airplanes, as well as airplanes equipped with Pratt and Whitney engines or Rolls-Royce engines, are also subject to the unsafe condition. As discussed in the Background section of the preamble to AD 2024–19–14, Model 777 series airplanes powered by Pratt & Whitney and Rolls-Royce engines are equipped with an additional fuel feed tube bonding jumper located in the engine nacelle strut that provides additional electrical bonding and therefore reduces the risk associated with the unsafe condition. As a result, urgent action was not required for those airplanes. No Model 777–300 series airplanes are equipped with GE90 series engines; therefore, none lack the additional bonding jumper in the nacelle strut, so no Model 777–300 series airplanes were included in the applicability of AD 2024–19–14. However, all Model 777–200, 777–200LR, 777–300, 777–300ER, and 777F series airplanes share the same general fuel feed tube lightning protection design and are therefore subject to the unsafe condition addressed by this AD.

Additionally, since AD 2024–19–14 was issued, the manufacturer has developed a Requirements Bulletin intended to replace the Multi Operator Message (MOM) required by AD 2024–19–14. This proposed AD would replace AD 2024–19–14's requirement to inspect the fuel feed tube bonding jumper located in the wing leading edge in accordance with Boeing multi operator message MOM–MOM–24–

0463–01B, dated September 4, 2024, with the requirement to perform a similar inspection in accordance with the new Boeing Requirements Bulletin 777–28A0097 RB, dated August 14, 2025.

Further, based on analysis of reports submitted in connection with AD 2023–23–14, the FAA has determined that additional inspections are necessary to address the unsafe condition. These inspections are broadly similar to those required on Boeing Model 747 series airplanes by AD 2023–23–14. These additional inspections, contained in Boeing Requirements Bulletin 777–28A0098 RB, dated August 15, 2025, address the electrical bonding of in-tank fuel feed tube components, as well as the integrity of the encapsulation seal surrounding the fuel feed tube bulkhead fitting.

Finally, the FAA has determined that a new requirement in CDCCL airworthiness limitation (AWL) 28–AWL–05 is needed to address the unsafe condition. The encapsulating sealant surrounding the bulkhead fitting inside the fuel tank is a common CDCCL across many Boeing models. After reviewing the relevant Model 777 CDCCL, 28–AWL–05, it was discovered that the AWL lacks the requirement to reapply the encapsulation after disassembly of the fitting (which necessitates removal of the encapsulation). Failure to reapply the sealant after removal would result in the unsafe condition addressed by this proposed AD. The FAA is proposing an amendment to CDCCL 28–AWL–05 to address this deficiency. Additionally, the CDCCL was also discovered to not properly account for a difference in in-tank bonding jumper configurations beginning at airplane line number 830 and on. The revised CDCCL now accounts for both jumper configurations. Normally, the FAA would require the incorporation of the information contained in a revision of the relevant airworthiness limitations document from the manufacturer into the airplane maintenance or inspection program to address this requirement. However, such a document is not anticipated to be available in time to support this proposed AD.

The FAA is proposing this AD to address latent failures. A lightning strike to an engine nacelle combined with latent failures of the lightning protection features for the engine fuel feed system, if not addressed, could result in the potential for ignition sources inside fuel tanks, which, in combination with flammable fuel vapors, could result in a fuel tank explosion and consequent loss of the airplane.

FAA’s Determination

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

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed Boeing Alert Requirements Bulletin 777–28A0097 RB, dated August 14, 2025. This material specifies procedures for repetitive DET of the bonding jumpers installed between the engine fuel feed tube and the wing structure immediately forward of the front spar at the left and right main fuel tank penetrations, saddle clamps, and tube clamps for any damage; repetitive DET for any loose bonding jumper lugs or tube clamps (rotation when rotating with light finger pressure); repetitive DET for any missing bonding jumpers or tube clamps; and repetitive measurements of the electrical bonding resistance between the wing structure and engine fuel feed tube; and applicable on-condition actions. Damage includes bonding jumpers that have one or more broken strands in wire braid, saddle clamps with split, cracked, broken rubber parts or any contact between saddle clamps’ metal with the fuel tube, and tube clamps being cracked, broken or having a screw hole elongated. On-condition actions include removing, cleaning, and re-installing bonding jumpers and related hardware, and replacing damaged and missing saddle clamps, bonding jumpers and tube clamps.

The FAA also reviewed Boeing Alert Requirements Bulletin 777–28A0098 RB, dated August 15, 2025. This material specifies procedures for, depending on configuration, repetitive measurement of electrical bonding resistance between the front spar and

the threaded portion of the front spar bulkhead fitting outside the fuel tank at the left and right main fuel tank penetrations; repetitive DET of the bonding jumper and tube clamps installed between the engine fuel feed tube and the engine nacelle strut for each of the left and right engines for correct installation; repetitive measurement of electrical bonding resistance between the nacelle strut structure and out-tank engine fuel feed tube; and applicable on-condition actions. On-condition actions include:

- A DET of the front spar bulkhead fitting and coupling inside the fuel tank for any area without sealant, any damaged (crack or void in sealant, disbonded sealant, or any exposed underlying metallic surface) sealant, and any insufficient sealant.
- Removing existing sealant and re-applying sealant inside the fuel tank.
- For Group 1 airplanes, a DET of the bonding jumper and tube clamps installed between the first engine fuel feed tube and the structure inside the fuel tank for correct installation, and an electrical bonding resistance measurement between the first engine fuel feed tube and the structure inside the fuel tank.
- For Group 2 airplanes, a DET of the bonding jumper and tube clamps that are installed between the first engine fuel feed tube connected to the front spar bulkhead fitting inside the fuel tank and the second AFT in-tank engine fuel feed tube for correct installation, and an electrical bonding resistance measurement between the first engine fuel feed tube connected to the front spar bulkhead fitting inside the fuel tank and the second AFT in-tank engine fuel feed tube.
- For Group 2 airplanes, a DET of the bonding jumper and tube clamps installed between the second AFT in-tank engine fuel feed tube and the

structure inside the fuel tank for correct installation, and an electrical bonding resistance measurement between the second AFT in-tank engine fuel feed tube and the structure inside the fuel tank.

- Removing out-tank (engine nacelle strut) and/or in-tank bonding jumpers and tube clamps, cleaning electrical bond surfaces, and installing new or serviceable bonding jumpers and tube clamps.

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

Proposed AD Requirements in This NPRM

This proposed AD would retain certain requirements of AD 2024–19–14. 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 proposed AD. For information on the procedures and compliance times, see this material at *regulations.gov* under Docket No. FAA–2025–2546.

Interim Action

The FAA considers that this proposed AD would be an interim action. The manufacturer is currently developing a modification that will address the unsafe condition identified in this AD. Once this modification is developed, FAA-approved, and available, the FAA might consider additional rulemaking.

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect 325 airplanes of U.S. registry. The FAA estimates the following costs to comply with this proposed AD:

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspections and measurements (777–28A0097 RB).	3 work-hours × \$85 per hour = \$255 per inspection cycle.	\$0	\$255 per inspection cycle	\$82,875 per inspection cycle.
Inspections and measurements (777–28A0098 RB).	4 work-hours × 85 per hour = 340 per inspection cycle.	36	\$376 per inspection cycle	\$122,200 per inspection cycle.

The FAA has determined that revising the existing 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 FAA estimates the average total cost per operator to be \$7,650 (90 work-hours × \$85 per work-hour).

The FAA estimates the following costs to do any necessary on-condition actions that would be required based on the results of the proposed inspection. The agency has no way of determining the number of aircraft that might need these on-condition actions:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Bonding jumper cleaning and installation; saddle clamp, bonding jumper, tube clamp replacement (777–28A0097 RB).	2 work-hours × \$85 per hour = \$170.	\$26	\$196
DET for encapsulation sealant application	18 work-hours × 85 per hour = 1,530.	0	1,530
Encapsulation sealant reapplication	1 work hour × 85 per hour = 85	75	160
In-tank engine fuel feed tube bonding jumper DET and bonding resistance measurement.	1 work-hour × 85 per hour = 85	0	85
In-tank engine fuel feed tube bonding jumper rework and bonding resistance measurement.	1 work-hour × 85 per hour = 85	23	85
Nacelle strut engine fuel feed tube bonding jumper rework and bonding resistance measurement.	1 work-hour × 85 per hour = 85	47	132

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more detail the scope of the Agency's authority.

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

Regulatory Findings

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

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

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

List of Subjects in 14 CFR Part 39

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

The Proposed Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

- 2. The FAA amends § 39.13 by:

■ a. Removing Airworthiness Directive (AD) 2024–19–14, Amendment 39–22856 (89 FR 80077, October 2, 2024), and

■ b. Adding the following new AD:

The Boeing Company: Docket No. FAA–2025–2546; Project Identifier AD–2025–01060–T.

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by October 30, 2025.

(b) Affected ADs

This AD replaces AD 2024–19–14, Amendment 39–22856 (89 FR 80077, October 2, 2024) (AD 2024–19–14).

(c) Applicability

This AD applies to The Boeing Company Model 777–200, –200LR, –300, –300ER, and 777F series airplanes, certificated in any category, as identified in Boeing Alert Requirements Bulletin 777–28A0097 RB, original issue, dated August 14, 2025.

(d) Subject

Air Transport Association (ATA) of America Code 28, Fuel.

(e) Unsafe Condition

This AD was prompted by a report of potential latent failures of the lightning protection features for the engine fuel feed system. The FAA is issuing this AD to address such latent failures. A lightning strike to an engine nacelle combined with latent failures of the lightning protection features for the engine fuel feed system, if not

addressed, could result in the potential for ignition sources inside fuel tanks, which, in combination with flammable fuel vapors, could result in a fuel tank explosion and consequent loss of the airplane.

(f) Compliance

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

(g) Required Actions

(1) Except as specified by paragraph (h) of this AD: At the applicable times specified in the "Compliance" paragraph of Boeing Alert Requirements Bulletin 777–28A0097 RB, dated August 14, 2025, do all applicable actions identified in, and in accordance with, the Accomplishment Instructions of Boeing Alert Requirements Bulletin 777–28A0097 RB, dated August 14, 2025.

Note 1 to paragraph (g)(1): Guidance for accomplishing the actions required by this AD can be found in Boeing Alert Service Bulletin 777–28A0097, dated August 14, 2025, which is referred to in Boeing Alert Requirements Bulletin 777–28A0097 RB, dated August 14, 2025.

(2) Except as specified by paragraph (h) of this AD: At the applicable times specified in the "Compliance" paragraph of Boeing Alert Requirements Bulletin 777–28A0098 RB, dated August 15, 2025, do all applicable actions identified in, and in accordance with, the Accomplishment Instructions of Boeing Alert Requirements Bulletin 777–28A0098 RB, dated August 15, 2025.

Note 2 to paragraph (g)(2): Guidance for accomplishing the actions required by this AD can be found in Boeing Alert Service Bulletin 777–28A0098, dated August 15, 2025, which is referred to in Boeing Alert Requirements Bulletin 777–28A0098 RB, dated August 15, 2025.

(h) Exceptions to Requirements Bulletin Specifications

(1) Where the Compliance Time columns of Tables 1 and 2 in the "Compliance" paragraph of Boeing Alert Requirements Bulletin 777–28A0097, dated August 14, 2025, refer to the original issue date of Requirements Bulletin 777–28A0097, this AD requires using a date of October 17, 2024 (the effective date of AD 2024–19–14).

(2) Where the Compliance Time columns of Tables 3 and 4 in the "Compliance" paragraph of Boeing Alert Requirements

Bulletin 777–28A0097, dated August 14, 2025, refer to the original issue date of Requirements Bulletin 777–28A0097, this AD requires using the effective date of this AD.

(3) Where the Compliance Time columns of the tables in the “Compliance” paragraph of Boeing Alert Requirements Bulletin 777–28A0098, dated August 15, 2025, refer to the

original issue date of Requirements Bulletin 777–28A0098, dated August 15, 2025, this AD requires using the effective date of this AD.

(i) Critical Design Configuration Control Limitations (CDCCLs)

Within 60 days after the effective date of this AD, revise the existing maintenance or

inspection program, as applicable, to incorporate the information specified in Figure 1 and Figure 2 to paragraph (i) of this AD.

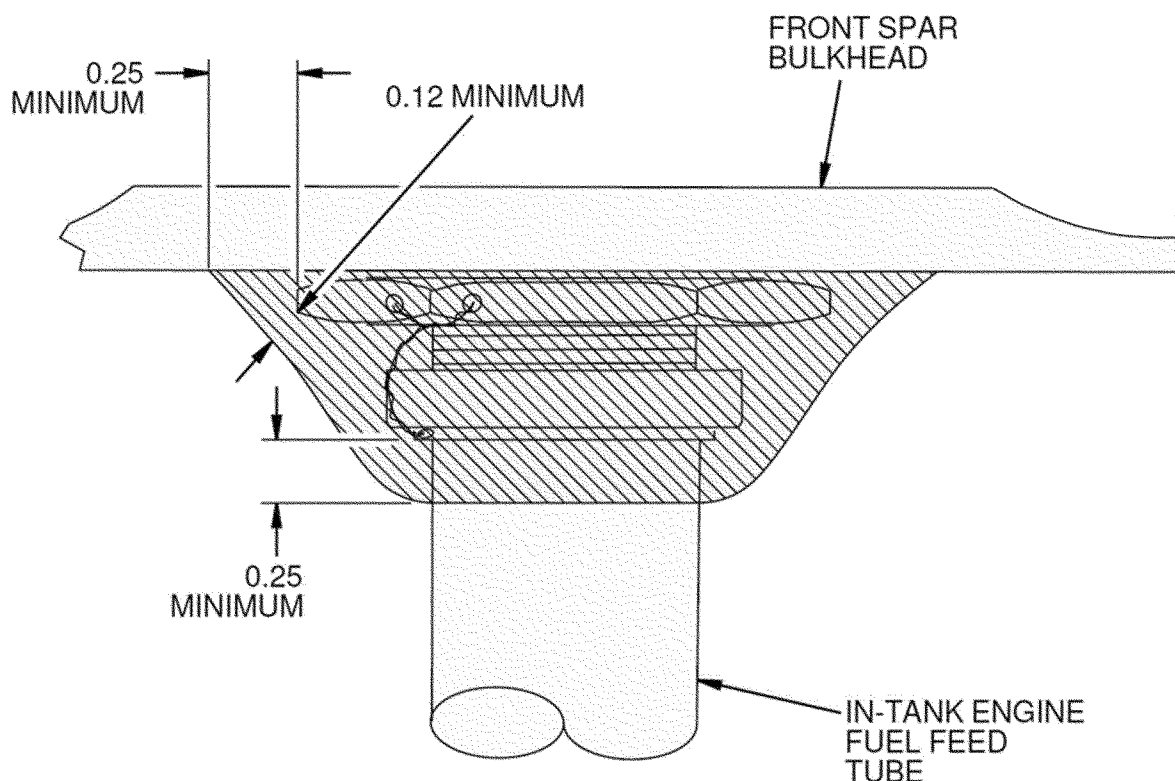
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Figure 1 to Paragraph (i)—28–AWL–05

AWL NUMBER	TASK	INTERVAL	APPLICABILITY	DESCRIPTION
28-AWL-05	CDCCL	N/A	ALL	Lightning Protection – Engine Fuel Feed Line Fuel Tank Penetration Bonding to Spar Concern: Potential for arcing or sparking inside the tank at the interface between the bulkhead fitting and the spar during a lightning strike event. The following design features must be verified (refer to Boeing AMM 28-22-15) if the bulkhead fitting or attached tubing is removed and reinstalled or replaced: 1. A fay sealed fay surface bond is installed between the bulkhead fitting and the front spar inside the tank. 2. The electrical bonding resistance across the fay surface between the bulkhead fitting and the front spar inside the tank is 0.0010 ohm (1.0 milliohm) or less. 3. Bonding jumpers are installed as follows. a. For airplane line numbers 1-829: i. A bonding jumper is installed between the first fuel tube mating with the bulkhead fitting and structure inside the tank. 1. If the tube-to-structure bonding jumper was removed and reinstalled or replaced, the electrical bonding resistance between the structure and the first fuel tube mating with the bulkhead fitting inside the tank is 0.0100 ohm (10.0 milliohms) or less. b. For airplane line numbers 830 and on: i. A bonding jumper is installed between the first fuel tube mating with the bulkhead fitting and the second AFT fuel tube inside the tank. 1. If the tube-to-tube bonding jumper was removed and reinstalled or replaced, the electrical bonding resistance between the first fuel tube mating with

				the bulkhead fitting and second AFT fuel tube inside the tank is 0.0100 ohm (10.0 milliohms) or less. ii. A bonding jumper is installed between the second AFT fuel tube and structure inside the tank. 1. If the tube-to-structure bonding jumper was removed and reinstalled or replaced, the electrical bonding resistance between the structure and the second AFT fuel tube inside the tank is 0.0100 ohm (10.0 milliohms) or less. 4. A full-bodied fillet seal is installed that encapsulates the bulkhead fitting to the front spar and the coupling nut inside the tank (Refer to Boeing SB 777-28A0098 as an accepted procedure). a. The sealant is smooth and the sealant meets the required dimensions as specified in the accompanying figure. i. Sealant is considered sufficiently thick when the outline of the coupling or fitting hardware is not visible under the sealant. b. Each sealant interface passes an adhesion test using a Frixion eraser. i. Peeling of the brushcoat is not considered a failure if the peeling stops before the Class B seal.
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Figure 2 to Paragraph (i)—Fuel Feed Encapsulation



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(j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, AIR-520, Continued Operational Safety Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or responsible Flight Standards Office, as appropriate. If sending information directly to the manager of the certification office, send it to the attention of the person identified in paragraph (k)(1) of this AD. Information may be emailed to: AMOC@faa.gov. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the responsible Flight Standards Office.

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

(3) AMOCs approved for AD 2024-19-14 are not approved as AMOCs for the corresponding provisions of Boeing Alert Requirements Bulletin 777-28A0097, original issue, dated August 14, 2025, that are required by paragraph (g) of this AD.

(k) Related Information

(1) For more information about this AD, contact Samuel Dorsey, Aviation Safety Engineer, FAA, 2200 South 216th St, Des Moines, WA 98198; phone: 206-231-3415; email: samuel.j.dorsey@faa.gov.

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

(l) Material Incorporated by Reference

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

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

(i) Boeing Alert Requirements Bulletin 777-28A0097, dated August 14, 2025.

(ii) Boeing Alert Requirements Bulletin 777-28A0098, dated August 15, 2025.

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

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

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

Issued on September 11, 2025.

Peter A. White,
Deputy Director, Integrated Certificate Management Division, Aircraft Certification Service.

[FR Doc. 2025-17781 Filed 9-12-25; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2025-2540; Project Identifier MCAI-2025-00158-R]

RIN 2120-AA64

Airworthiness Directives; Airbus Helicopters Deutschland GmbH 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 all Airbus Helicopters Deutschland GmbH Model MBB-BK 117 D-3 helicopters. This proposed AD was prompted by a report of excessive vibrations in-flight due to an incorrect installation of the angular ball bearing of the control ring assembly. This proposed AD would require a one-time inspection of the affected swashplates and, depending on

the results of the inspection, corrective actions. This AD would prohibit the installation of an affected swashplate on a helicopter, unless certain requirements are met. The FAA is proposing this AD to address the unsafe condition on these products.

DATES: The FAA must receive comments on this NPRM by October 30, 2025.

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

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

- *Fax:* (202) 493-2251.

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

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

AD Docket: You may examine the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2025-2540; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The street address for Docket Operations is listed above.

Material Incorporated by Reference:

- For European Union Aviation Safety Agency (EASA) material identified in this proposed AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; phone: +49 221 8999 000; email: ADs@easa.europa.eu; website: easa.europa.eu. You may find this material on the EASA website at ad.easa.europa.eu.

- 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](https://www.regulations.gov) under Docket No. FAA-2025-2540.

FOR FURTHER INFORMATION CONTACT: Zain Jamal, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (847) 294-7264; email: zain.jamal@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-2025-2540; Project Identifier MCAI-2025-00158-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](https://www.regulations.gov), including any personal information you provide. The agency will also post a report summarizing each substantive verbal contact received about this NPRM.

Confidential Business Information

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as “PROPIN.” The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this NPRM. Submissions containing CBI should be sent to Zain Jamal, 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

EASA, which is the Technical Agent for the Member States of the European Union, has issued EASA AD 2025-0029, dated February 7, 2025 (EASA AD 2025-0029) (also referred to as the MCAI), to correct an unsafe condition on Airbus Helicopters Deutschland GmbH Model MBB-BK117 D-3 and MBB-BK117 D-3m helicopters. The MCAI states that an occurrence of excessive vibrations in-flight was reported. The MCAI further states that subsequent investigations revealed an incorrect installation of the angular ball bearing of the control ring assembly caused wear of the axial bearing seat.

This condition, if not addressed, could result in axial play between the swashplate bearing ring assembly and the control ring assembly and consequent reduced control of the helicopter.

You may examine the MCAI in the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2025-2540.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed EASA AD 2025-0029, which specifies procedures for a one-time inspection of swashplates having part number D623M2050102 and a serial number up to 0487 inclusive and, depending on the inspection results, accomplishing corrective actions and contacting Airbus Helicopters for approved repair instructions. Corrective actions include inspecting the control ring assembly and, depending on the results, repair or replacement of the control ring assembly or repair of the surface protection of the control ring assembly. The MCAI also allows the accomplishment of corrective actions using the instructions of the applicable Aircraft Maintenance Manual (AMM) 62-32-00, 6-7. Corrective actions specified in the applicable AMM include the examination of bolts, single row ball bearings, bushings, and washers and, depending on the results, repair or replacement of these parts, as applicable.

Additionally, the MCAI allows the installation of an affected swashplate on a helicopter if it is inspected before it is installed, and if any corrective actions are completed in accordance with the instructions of the service material.

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 (CAA) 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, it has notified the FAA of the unsafe condition described in the MCAI referenced above. The FAA is issuing this NPRM after determining that the unsafe condition described previously is likely to exist or develop on other products of the same type design.

Proposed AD Requirements in This NPRM

This proposed AD would require accomplishing the actions specified in

EASA AD 2025–0029, described previously, as incorporated by reference, except for any differences identified as exceptions in the regulatory text of this proposed AD. See “Differences Between this Proposed AD and the MCAI” for a discussion of the general differences included in this proposed AD.

Differences Between This Proposed AD and the MCAI

The MCAI applies to Model MBB–BK117 D–3m helicopters, whereas this proposed AD would not because that model does not have an FAA type certificate. The MCAI requires reporting inspection results to the manufacturer, whereas this proposed AD would not.

The MCAI does not apply to helicopters where it cannot be determined that a swashplate has been inspected, whereas this AD would apply to those helicopters.

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 CAA ADs as the primary source of information for compliance with requirements for corresponding FAA ADs. The FAA has been coordinating this process with manufacturers and CAAs. As a result, the FAA proposes to incorporate EASA AD 2025–0029 by reference in the FAA

final rule. This proposed AD would, therefore, require compliance with EASA AD 2025–0029 in its entirety through that incorporation, except for any differences identified as exceptions in the regulatory text of this proposed AD. Material referenced in EASA AD 2025–0029 for compliance will be available at *regulations.gov* under Docket No. FAA–2025–2540 after the FAA final rule is published.

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect 50 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
Inspect swashplate	4 work-hours × \$85 per hour = \$340	\$0	\$340	\$17,000

The FAA estimates the following costs to do any necessary replacements that would be required based on the

results of the proposed inspection. The agency has no way of determining the

number of helicopters that might need this replacement.

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Inspect control ring assembly	4 work-hours × \$85 per hour = \$340	4 work-hours × \$85 per hour = \$340	\$340.
Repair or replace control ring assembly ..	Up to 64 work-hours × \$85 per hour = \$5,440.	Up to \$3,300	Up to \$8,740.

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:

Airbus Helicopters Deutschland GmbH:
Docket No. FAA–2025–2540; Project Identifier MCAI–2025–00158–R.

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by October 30, 2025.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Airbus Helicopters Deutschland GmbH Model MBB-BK 117 D-3 helicopters, certificated in any category.

(d) Subject

Joint Aircraft System Component (JASC) Code 6230, Main Rotor Mast/Swashplate.

(e) Unsafe Condition

This AD was prompted by a report of an occurrence of excessive vibrations in-flight due to an incorrect installation of the angular ball bearing of the control ring assembly. The FAA is issuing this AD to detect and correct incorrect installation of the angular ball bearing. The unsafe condition, if not addressed, could result in axial play between the swashplate bearing ring assembly and the control ring assembly and consequent reduced control of the helicopter.

(f) Compliance

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

(g) Requirements

Except as specified in paragraphs (h) and (i) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, European Union Aviation Safety Agency (EASA) AD 2025-0029, dated February 7, 2025 (EASA AD 2025-0029).

(h) Exceptions to EASA AD 2025-0029

(1) Where EASA AD 2025-0029 requires compliance in terms of flight hours, this AD requires using hours time-in-service.

(2) Where EASA AD 2025-0029 refers to its effective date, this AD requires using the effective date of this AD.

(3) Where EASA AD 2025-0029 defines "Affected part", this AD adds "including those where it cannot be determined if the 'Supplementary Inspection—4000 FH' has been accomplished on the swashplate" to the end of that definition.

(4) Where the material referenced in EASA AD 2025-0029 specifies "check", this AD requires replacing that text with "inspect".

(5) Where the material referenced in EASA AD 2025-0029 specifies "Tightening torque inspection of the hexagonal head bolts of the inner ring and outer ring", this AD requires replacing that text with "Tightening torque inspection of the hexagonal head bolts of the inner ring".

(6) Where paragraph (2) of EASA AD 2025-0029 specifies "in case of finding any discrepancy during the inspection of the control ring assembly, to accomplish the applicable corrective actions before next flight, or to contact AH [Airbus Helicopters] for approved repair instructions and, before next flight, to accomplish those instructions accordingly", this AD requires replacing that text with "in case of finding any discrepancy during the inspection of the control ring assembly, before further flight, accomplish the instructions or corrective actions in accordance with a method approved by the Manager, International Validation Branch, FAA; or EASA; or Airbus Helicopters' EASA Design Organization Approval (DOA). If

approved by the DOA, the approval must include the DOA-authorized signature".

(7) This AD does not adopt the "Remarks" section of EASA AD 2025-0029.

(i) No Reporting Requirement

Although the material referenced in EASA AD 2025-0029 specifies to submit certain information to the manufacturer, this AD does not require that action.

(j) Special Flight Permits

Special flight permits are prohibited.

(k) 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 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 (l) 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 responsible Flight Standards Office.

(l) Additional Information

For more information about this AD, contact Zain Jamal, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (847) 294-7264; email: zain.jamal@faa.gov.

(m) Material Incorporated by Reference

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

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

(i) European Union Aviation Safety Agency (EASA) AD 2025-0029, dated February 7, 2025.

(ii) [Reserved]

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

(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 September 9, 2025.

Steven W. Thompson,

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

[FR Doc. 2025-17716 Filed 9-12-25; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39**

[Docket No. FAA-2025-2544; Project Identifier MCAI-2025-00531-T]

RIN 2120-AA64

Airworthiness Directives; Airbus SAS Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to adopt a new airworthiness directive (AD) for certain Airbus SAS Model A318-111, -112, and -122; A319-111, -112, -113, -114, -115, -131, -132, and -133; A320-211, -212, -214, -216, -232, -233, -251N, -252N, -253N, -271N, -272N, and -273N; and A321-211, -212, -213, -231, -232, -251N, -252N, -253N, -271N, -272N, -251NX, -252NX, -253NX, -271NX, -272NX airplanes. This proposed AD was prompted by the detection of a deviation from the manufacturing process during a review of the cold working process in the assembly line. This proposed AD would require repetitive special detailed inspections (SDIs) and rototest or high frequency eddy current (HFEC) and rototest inspections of the affected fasteners and fastener holes, and applicable on-condition actions. 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 October 30, 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](https://www.regulations.gov) under Docket No. FAA–2025–2544; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The street address for Docket Operations is listed above.

Material Incorporated by Reference:

- For European Union Aviation Safety Agency (EASA) material identified in this proposed AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; telephone +49 221 8999 000; email ADs@easa.europa.eu. You may find this material on the EASA website at ad.easa.europa.eu. It is also available at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2025–2544.

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

FOR FURTHER INFORMATION CONTACT: Dan Rodina, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206–231–3225; email: Dan.Rodina@faa.gov.

SUPPLEMENTARY INFORMATION:

Comments Invited

The FAA invites you to send any written relevant data, views, or arguments about this proposal. Send your comments using a method listed under the **ADDRESSES** section. Include “Docket No. FAA–2025–2544; Project Identifier MCAI–2025–00531–T” at the beginning of your comments. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may amend this proposal because of those comments.

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

Confidential Business Information

CBI is commercial or financial information that is both customarily and

actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as “PROPIN.” The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this NPRM. Submissions containing CBI should be sent to Dan Rodina, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206–231–3225; email: Dan.Rodina@faa.gov. Any commentary that the FAA receives which is not specifically designated as CBI will be placed in the public docket for this rulemaking.

Background

EASA, which is the Technical Agent for the Member States of the European Union, has issued EASA AD 2025–0078, dated April 9, 2025 (EASA AD 2025–0078) (also referred to as the MCAI), to correct an unsafe condition for certain Airbus SAS Model A318–111, –112, and –122; A319–111, –112, –113, –114, –115, –131, –132, and –133; A320–211, –212, –214, –215, –216, –232, –233, –251N, –252N, –253N, –271N, –272N, and –273N; and A321–211, –212, –213, –231, –232, –251N, –252N, –253N, –271N, –272N, –251NX, –252NX, –253NX, –271NX, –272NX airplanes. Model A320–215 airplanes are not certificated by the FAA and are not included on the U.S. type certificate data sheet; this proposed AD therefore does not include those airplanes in the applicability. The MCAI states that a deviation from the manufacturing process was detected during a review of the cold working process in the assembly line, which could adversely affect the fatigue life of the affected areas (Forward pressure bulkhead connection to frame (FR) 35 for Airbus A319 and A320 airplanes and FR35.8 for Airbus A321 airplanes, between stringer (STR) 28 and STR 31, both left-hand (LH) and right-hand (RH) sides; and fuselage skin at FR35 for Airbus A318, A319 and A320 airplanes and FR35.8 for Airbus A321 airplanes, at STR30, both LH and RH sides). This condition, if not detected and corrected, could lead to crack initiation and propagation, possibly resulting in reduced structural integrity of the airplane.

The FAA is proposing this AD to address the unsafe condition on these products.

You may examine the MCAI in the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2025–2544.

Material Incorporated by Reference Under 1 CFR Part 51

EASA AD 2025–0078 specifies procedures for repetitive SDIs around the fastener holes at FR35, stringer (STGR) 28 to STGR 31 to check if the fasteners and fastener holes are in nominal design condition; repetitive rototest or HFEC and rototest inspections around the fasteners and fastener holes for cracks, and applicable corrective actions. Corrective actions include repair. 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 in other products of the same type design.

Proposed AD Requirements in This NPRM

This proposed AD would require accomplishing the actions specified in EASA AD 2025–0078 described previously, except for any differences identified as exceptions in the regulatory text of this proposed AD.

Explanation of Required Compliance Information

In the FAA’s ongoing efforts to improve the efficiency of the AD process, the FAA developed a process to use some civil aviation authority (CAA) ADs as the primary source of information for compliance with requirements for corresponding FAA ADs. The FAA has been coordinating this process with manufacturers and CAAs. As a result, the FAA proposes to incorporate EASA AD 2025–0078 by reference in the FAA final rule. This proposed AD would, therefore, require compliance with EASA AD 2025–0078 in its entirety through that incorporation, except for any differences identified as exceptions in the

regulatory text of this proposed AD. Using common terms that are the same as the heading of a particular section in EASA AD 2025–0078 does not mean that operators need comply only with that section. For example, where the AD requirement refers to “all required actions and compliance times,” compliance with this AD requirement is

not limited to the section titled “Required Action(s) and Compliance Time(s)” in EASA AD 2025–0078. Material required by EASA AD 2025–0078 for compliance will be available at *regulations.gov* under Docket No. FAA–2025–2544 after the FAA final rule is published.

Costs of Compliance
The FAA estimates that this AD, if adopted as proposed, would affect 1,946 airplanes of U.S. registry. The FAA estimates the following costs to comply with this proposed AD:

ESTIMATED COSTS FOR REQUIRED ACTIONS

Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Up to 63 work-hours × \$85 per hour = \$5,355	\$0	Up to \$5,355	Up to \$10,420,830.

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

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:

Airbus SAS: Docket No. FAA–2025–2544; Project Identifier MCAI–2025–00531–T.

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by October 30, 2025.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Airbus SAS airplanes specified in paragraphs (c)(1) through (4), certificated in any category, as identified in European Union Aviation Safety Agency (EASA) AD 2025–0078, dated April 9, 2025 (EASA AD 2025–0078).

- (1) Model A318–111, –112, and –122 airplanes.
- (2) Model A319–111, –112, –113, –114, –115, –131, –132, and –133 airplanes.
- (3) Model A320–211, –212, –214, –216, –232, –233, –251N, –252N, –253N, –271N, –272N, and –273N airplanes.
- (4) Model A321–211, –212, –213, –231, –232, –251N, 252N, –253N, –271N, –272N, –251NX, 252NX, –253NX, –271NX, and 272NX airplanes.

(d) Subject

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

(e) Unsafe Condition

This AD was prompted by the detection of a deviation from the manufacturing process during a review of the cold working process in the assembly line. The FAA is issuing this AD to address reduced fatigue life of the affected areas of the forward pressure bulkhead connection to, and fuselage skin at, certain frames. The unsafe condition, if not addressed, could result in reduced structural integrity of the airplane.

(f) Compliance

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

(g) Requirements

Except as specified in paragraph (h) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, EASA AD 2025–0078.

(h) Exceptions to EASA AD 2025–0078

- (1) Where EASA AD 2025–0078 refers to its effective date, this AD requires using the effective date of this AD.
- (2) Where paragraphs (2) and (3) of EASA AD 2025–0078 specify “discrepancy”, this AD requires replacing that text with “fastener or fastener hole that is not in a nominal design condition”.
- (3) Where paragraph (6) of EASA AD 2025–0078 specifies “if, during inspection as required by paragraph (3), (4), or (5) of this AD, any crack is found, as defined in the SB, before next flight, contact Airbus for approved repair instructions and, within the compliance time specified therein, accomplish those instructions accordingly,” this AD requires replacing that text with “if, during any inspection required by paragraph (3), (4), or (5) of this AD, any cracking is found, the cracking must be repaired before further flight using a method approved by the Manager, AIR–520, Continued Operational Safety Branch, FAA; or EASA; or Airbus SAS’s EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.”
- (4) This AD does not adopt the “Remarks” section of EASA AD 2025–0078.

(i) No Reporting Requirement

Although the material referenced EASA AD 2025–0078 specifies to submit certain information to the manufacturer, this AD does not include that requirement.

(j) Additional AD Provisions

The following provisions also apply to this AD:

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

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

(3) *Required for Compliance (RC)*: Except as required by paragraphs (i) and (j)(2) of this AD, if any material contains procedures or tests that are identified as RC, those procedures and tests must be done to comply with this AD; any procedures or tests that are not identified as RC are recommended. Those procedures and tests that are not identified as RC may be deviated from using accepted methods in accordance with the operator's maintenance or inspection program without obtaining approval of an AMOC, provided the procedures and tests identified as RC can be done and the airplane can be put back in an airworthy condition. Any substitutions or changes to procedures or tests identified as RC require approval of an AMOC.

(k) Additional Information

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

(l) Material Incorporated by Reference

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

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

(i) European Union Aviation Safety Agency (EASA) AD 2025-0078, dated April 9, 2025.

(ii) [Reserved]

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

(4) You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des

Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195.

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

Issued on September 10, 2025.

Peter A. White,

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

[FR Doc. 2025-17731 Filed 9-12-25; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39**

[Docket No. FAA-2025-2542; Project Identifier MCAI-2024-00397-R]

RIN 2120-AA64

Airworthiness Directives; Airbus Helicopters

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to supersede Airworthiness Directive (AD) 2022-19-13, which applies to all Airbus Helicopters Model AS355E, AS355-F, AS355-F1, AS355F2, AS355N, and AS355NP helicopters. AD 2022-19-13 requires incorporating into existing maintenance records certain requirements (airworthiness limitations). Since the FAA issued AD 2022-19-13, a determination was made that new or more restrictive airworthiness limitations are necessary. This proposed AD would require revising the airworthiness limitations section (ALS) of the existing maintenance manual (MM) or instructions for continued airworthiness (ICAs) and the existing approved maintenance or inspection program, as applicable. The FAA is proposing this AD to address the unsafe condition on these products.

DATES: The FAA must receive comments on this NPRM by October 30, 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-2025-2542; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The street address for Docket Operations is listed above.

Material Incorporated by Reference:

- For European Union Aviation Safety Agency (EASA) material identified in this proposed AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; phone: +49 221 8999 000; email: ADS@easa.europa.eu; website: easa.europa.eu. You may find the EASA material on the EASA website at ad.easa.europa.eu.

- 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-2025-2542.

FOR FURTHER INFORMATION CONTACT: Matthew Williams, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (316) 946-4134; email: matthew.t.williams@faa.gov.

SUPPLEMENTARY INFORMATION:**Comments Invited**

The FAA invites you to send any written relevant data, views, or arguments about this proposal. Send your comments to an address listed under the **ADDRESSES** section. Include "Docket No. FAA-2025-2542; Project Identifier MCAI-2024-00397-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 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 Matthew Williams, 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

The FAA issued AD 2022–19–13, Amendment 39–22182 (87 FR 57814, September 22, 2022) (AD 2022–19–13), for Airbus Helicopters Model AS355E, AS355F, AS355F1, AS355F2, AS355N, and AS355NP helicopters. AD 2022–19–13 was prompted by an MCAI originated by EASA, which is the Technical Agent for the Member States of the European Union. EASA issued AD 2021–0193, dated August 20, 2021 (EASA AD 2021–0193) to address the identification of certain parts needing maintenance actions, including life limits and maintenance tasks.

AD 2022–19–13 requires incorporating into existing maintenance records certain requirements (airworthiness limitations), as specified in EASA AD 2021–0193. The FAA issued AD 2022–19–13 to address the failure of certain parts, which could result in the loss of control of the helicopter.

Actions Since AD 2022–19–13 Was Issued

Since the FAA issued AD 2022–19–13, EASA superseded AD 2021–0193 and issued EASA AD 2024–0134, dated July 10, 2024 (EASA AD 2024–0134) (also referred to as the MCAI), to

address an unsafe condition on all Airbus Helicopters Model AS 355 E, AS 355 F, AS 355 F1, AS 355 F2, AS 355 N, and AS 355 NP helicopters. The MCAI states that new or more restrictive airworthiness limitations and repetitive checks requirements have been developed. Additionally, the MCAI advises that the airworthiness limitations are identified as mandatory for continued airworthiness and that AH [Airbus Helicopters] has issued applicable ALS revisions to specify new and more restrictive life limits and maintenance tasks, which includes repetitive checks and inspection requirements. The FAA is issuing this proposed AD to prevent failure of critical parts and primary structural components, which if not addressed, could result in loss of control of the helicopter.

You may examine the MCAI in the AD docket at *regulations.gov* under Docket No. FAA–2025–2542.

Relationship Between This Proposed AD and Other Relevant Rulemaking

EASA AD 2021–0193 notes that the requirements of EASA AD 2010–0006, dated January 7, 2010 (EASA AD 2010–0006) (which prompted FAA AD 2011–22–05 R1, Amendment 39–17765 (79 FR 14169, March 13, 2014) (AD 2011–22–05 R1)) and EASA AD 2015–0094, dated May 29, 2015 (EASA AD 2015–0094) (which prompted FAA AD 2016–25–20, Amendment 39–18746 (81 FR 94954, December 27, 2016) (AD 2016–25–20)) have been incorporated into the applicable ALS specified in EASA AD 2021–0193.

Accordingly, this proposed AD does not supersede AD 2011–22–05 R1 or AD 2016–25–20. Rather, the FAA has determined that a stand-alone AD is more appropriate to address the changes in EASA AD 2024–0134, which superseded EASA AD 2021–0193. Therefore, accomplishment of the required actions in this proposed AD terminates all of the requirements of AD 2011–22–05 R1 and AD 2016–25–20 for Model AS355E, AS 355–F, AS 355–F1, AS355F2, AS355N, and AS355NP helicopters only.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed EASA AD 2024–0134, which specifies replacing components before exceeding their life limits and accomplishing all applicable maintenance tasks within thresholds and intervals specified in the ALS as defined in EASA AD 2024–0134. Depending on the results of the maintenance tasks, EASA AD 2024–0134 requires accomplishing corrective

action(s) or contacting Airbus Helicopters for approved instructions and accomplishing those instructions.

Additionally, EASA AD 2024–0134 specifies revising the Aircraft Maintenance Programme (AMP) by incorporating the limitations, tasks, and associated thresholds and intervals described in the specified ALS, as applicable. Revising the AMP constitutes terminating action for the requirement to record accomplishment of the actions of replacing components before exceeding their life limits and accomplishing maintenance tasks within thresholds and intervals specified in the applicable ALS as specified in EASA AD 2024–0134 for demonstration of AD compliance on a continued basis.

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 (CAA) 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, it has notified the FAA of the unsafe condition described in the MCAI and material 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 the actions specified in EASA AD 2024–0134, described previously, as incorporated by reference, except for any differences identified as exceptions in the regulatory text of this proposed AD.

Explanation of Required Compliance Information

In the FAA's ongoing efforts to improve the efficiency of the AD process, the FAA developed a process to use some CAA ADs as the primary source of information for compliance with requirements for corresponding FAA ADs. The FAA has been coordinating this process with manufacturers and CAAs. As a result, the FAA proposes to incorporate EASA AD 2024–0134 by reference in the FAA final rule. This proposed AD would, therefore, require compliance with EASA AD 2024–0134 in its entirety through that incorporation, except for any differences identified as exceptions

in the regulatory text of this proposed AD. Using common terms that are the same as the heading of a particular section in EASA AD 2024–0134 does not mean that operators need comply only with that section. For example, where the AD requirement refers to “all required actions and compliance times,” compliance with this AD requirement is

not limited to the section titled “Required Action(s) and Compliance Time(s)” in EASA AD 2024–0134. Material referenced in EASA AD 2024–0134 for compliance will be available at *regulations.gov* under Docket No. FAA–2025–2542 after the FAA final rule is published.

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect 45 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
Revise ALS	1 work-hour × \$85 per hour = \$85	\$0	\$85	\$3,825

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 that the proposed regulation:

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

List of Subjects in 14 CFR Part 39

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

The Proposed Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

- 2. The FAA amends § 39.13 by:
 - a. Removing Airworthiness Directive 2022–19–13, Amendment 39–22182 (87 FR 57814, September 22, 2022); and
 - b. Adding the following new airworthiness directive:

Airbus Helicopters: Docket No. FAA–2025–2542; Project Identifier MCAI–2024–00397–R.

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by October 30, 2025.

(b) Affected ADs

- (1) This AD replaces AD 2022–19–13, Amendment 39–22182 (87 FR 57814, September 22, 2022).
- (2) This AD affects AD 2011–22–05 R1, Amendment 39–17765 (79 FR 14169, March 13, 2014) (AD 2011–22–05); and AD 2016–25–20, Amendment 39–18746 (81 FR 94954, December 27, 2016) (AD 2016–25–20).

(c) Applicability

This AD applies to Airbus Helicopters Model AS355E, AS 355–F, AS 355–F1, AS355F2, AS355N, and AS355NP helicopters, certificated in any category.

(d) Subject

Air Transport Association (ATA) of America Code 05, Time Limits/Maintenance Checks.

(e) Unsafe Condition

This AD was prompted by new or more restrictive airworthiness limitations. The FAA is issuing this AD to prevent failure of critical parts and primary structural components, which if not addressed, could result in loss of control of the helicopter.

(f) Compliance

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

(g) Required Actions

Except as specified in paragraphs (h) and (i) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, European Union Aviation Safety Agency AD 2024–0134, dated July 10, 2024 (EASA AD 2024–0134).

(h) Exceptions to EASA AD 2024–0134

- (1) Where EASA AD 2024–0134 refers to its effective date, this AD requires using the effective date of this AD.
- (2) This AD does not adopt paragraphs (1), (2), (4), and (5) of EASA AD 2024–0134.
- (3) Where paragraph (3) of EASA AD 2024–0134 specifies “Within 12 months after the effective date of this AD, revise the approved AMP”, this AD requires replacing that text with “Within 30 days after the effective date of this AD, revise the airworthiness limitations section of the existing maintenance manual or instructions for continued airworthiness and the existing approved maintenance or inspection program, as applicable”.
- (4) The initial compliance time for doing the tasks specified in paragraph (3) of EASA AD 2024–0134 is on or before the applicable “limitations” and “associated thresholds” as incorporated by the requirements of paragraph (3) of EASA AD 2024–0134 or within 30 days after the effective date of this AD, whichever occurs later.
- (5) This AD does not adopt the “Remarks” section of EASA AD 2024–0134.

(i) Provisions for Alternative Actions and Intervals

After the action required by paragraph (g) of this AD has been done, no alternative actions and associated thresholds and intervals, including life limits, are allowed unless they are approved as specified in the

provisions of the “Ref. Publications” section of EASA AD 2024–0134.

(j) Terminating Action for ADs 2011–22–05 R1 and 2016–25–20

(1) Accomplishing the actions required by this AD terminates all requirements of AD 2011–22–05 R1 for Model AS355E, AS 355–F, AS 355–F1, AS355F2, AS355N, and AS355NP helicopters only.

(2) Accomplishing the actions required by this AD terminates all requirements of AD 2016–25–20 for Model AS355E, AS 355–F, AS 355–F1, AS355F2, AS355N, and AS355NP helicopters only.

(k) 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 (l) 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.

(l) Additional Information

For more information about this AD, contact Matthew Williams, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (316) 946–4134; email: matthew.t.williams@faa.gov.

(m) Material Incorporated by Reference

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

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

(i) European Union Aviation Safety Agency (EASA) AD 2024–0134, dated July 11, 2024.

(ii) [Reserved]

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

(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 September 9, 2025.

Steven W. Thompson,

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

[FR Doc. 2025–17715 Filed 9–12–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2025–2545; Project Identifier MCAI–2024–00657–T]

RIN 2120–AA64

Airworthiness Directives; Airbus Canada Limited Partnership (Type Certificate Previously Held by C Series Aircraft Limited Partnership (CSALP); 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 certain Airbus Canada Limited Partnership Model BD–500–1A10 and BD–500–1A11 airplanes. This proposed AD was prompted by reports of certain fuel transfer float valves failing in the closed position, preventing normal fuel transfer between the center and wing fuel tanks. This proposed AD would require replacing the existing fuel transfer float valves on airplanes that are approved for extended-range twin-engine operation performance standards (ETOPS). 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 October 30, 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–2025–2545; 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; telephone 888–663–3639; email TC.AirworthinessDirectives-Consignesdenavigabilite.TC@tc.gc.ca. You may find this material on the Transport Canada website at tc.canada.ca/en/aviation. It is also available at regulations.gov under Docket No. FAA–2025–2545.

- 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; phone: 516–228–7366; email: joseph.catanzaro@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–2025–2545; Project Identifier MCAI–2024–00657–T” at the beginning of your comments. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may amend this proposal because of those comments.

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

Confidential Business Information

CBI is commercial or financial information that is both customarily and

actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as "PROPIN." The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this NPRM. Submissions containing CBI should be sent to Joseph Catanzaro, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: 516-228-7366; email: joseph.catanzaro@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

Transport Canada, which is the aviation authority for Canada, has issued Transport Canada AD CF-2024-37, dated November 4, 2024 (Transport Canada AD CF-2024-37) (also referred to as the MCAI), to correct an unsafe condition for certain Airbus Canada Limited Partnership Model BD-500-1A10 and BD-500-1A11 airplanes. The MCAI states that there have been several reports of fuel transfer float valves failing in the closed position, preventing normal fuel transfer between the center fuel tank and wing fuel tanks. An investigation determined that high friction of the fuel transfer float valve carbon seal prevents the fuel transfer float valve from opening. Each wing tank is equipped with one fuel transfer float valve. If one fuel transfer float valve fails closed, the crew is alerted and may manually transfer fuel to correct the resulting lateral fuel imbalance. A gravity fuel transfer system provides a back-up to the manual transfer. If both fuel transfer float valves simultaneously fail in the closed position, the crew is alerted, and fuel in the center tank becomes

unusable as it cannot be transferred to the wing tanks. The crew may need to divert to prevent fuel starvation before reaching the destination airport. Simultaneous failure of both fuel transfer float valves in the closed position is critical for ETOPS missions as fuel starvation and engine shutdown may occur before reaching a diversion airport.

The FAA is proposing this AD to address the unsafe condition on these products.

You may examine the MCAI in the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2025-2545.

Material Incorporated by Reference Under 1 CFR Part 51

Transport Canada AD CF-2024-37 specifies procedures for replacing the existing fuel transfer float valves and O-rings on left- and right-wing with new fuel transfer float valves and O-rings and performing operational tests of the center to wing fuel transfer. Transport Canada AD CF-2024-37 also specifies that inserting a copy of Transport Canada AD CF-2024-37 into the ETOPS Configuration, Maintenance, and Procedures (CMP) or using ETOPS CMP issue 009.00 or later is an acceptable method of compliance. 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 in other products of the same type design.

Proposed AD Requirements in This NPRM

This proposed AD would require accomplishing the actions specified in

Transport Canada AD CF-2024-37 described previously, except for any differences identified as exceptions in the regulatory text of this proposed AD.

Compliance With CMP Revisions

Transport Canada AD CF-2024-37 requires operators to "operate the aeroplane accordingly" after accomplishing the optional method of compliance specified in paragraph B. of Transport Canada AD CF-2024-37. However, this proposed AD would not specifically require those actions as those actions are already required by FAA regulations. FAA regulations (14 CFR 121.374(n)) require airplanes to be operated using a system that ensures compliance with the operator's CMP document. Therefore, including a requirement in this proposed AD to operate the airplane according to the revised CMP would be redundant and unnecessary.

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-2024-37 by reference in the FAA final rule. This proposed AD would, therefore, require compliance with Transport Canada AD CF-2024-37 in its entirety through that incorporation, except for any differences identified as exceptions in the regulatory text of this proposed AD. Material required by Transport Canada AD CF-2024-37 for compliance will be available at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2025-2545 after the FAA final rule is published.

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect 35 airplanes of U.S. registry. The FAA estimates the following costs to comply with this proposed AD:

ESTIMATED COSTS FOR REQUIRED ACTIONS

Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Up to 16 work-hours × \$85 per hour = \$1,360	(*)	Up to \$1,360	Up to \$47,600.

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

The FAA has included all known costs in its cost estimate. According to the manufacturer, however, some or all of the costs of this proposed AD may be covered under warranty, thereby reducing the cost impact on affected operators.

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:

Airbus Canada Limited Partnership (Type Certificate Previously Held by C Series Aircraft Limited Partnership (CSALP); Bombardier, Inc.): Docket No. FAA-2025-2545; Project Identifier MCAI-2024-00657-T.

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by October 30, 2025.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Airbus Canada Limited Partnership (type certificate previously held by C Series Aircraft Limited Partnership (CSALP); Bombardier, Inc.) Model BD-500-1A10 and BD-500-1A11 airplanes certificated in any category, as identified in Transport Canada AD CF-2024-37, dated November 4, 2024 (Transport Canada AD CF-2024-37).

(d) Subject

Air Transport Association (ATA) of America Code 28, Fuel.

(e) Unsafe Condition

This AD was prompted by reports of certain fuel transfer float valves failing in the closed position, preventing normal fuel transfer between the center and wing fuel tanks. The FAA is issuing this AD to address the simultaneous failure of both fuel transfer float valves in the closed position during an extended-range twin-engine operation performance standards (ETOPS) flight. The unsafe condition, if not addressed, during an ETOPS flight, could lead to a forced diversion or fuel starvation and engine shutdown before reaching a diversion airport.

(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-2024-37.

(h) Exception To Transport Canada AD CF-2024-37

(1) Where Transport Canada AD CF-2024-37 refers to its effective date, this AD requires using the effective date of this AD.

(2) Where Transport Canada AD CF-2024-37 refers to hours air time, this AD requires using flight hours.

(3) Where paragraph B. of Transport Canada AD CF-2024-37 specifies "thereafter, operating the aeroplane accordingly," this AD does not require that action as that action is already required by existing FAA operating regulations (see 14 CFR 121.374 (n)).

(4) Where the material referenced in Transport Canada AD CF-2024-37 specifies discarding parts, this AD requires removing those parts from service.

(i) Additional AD Provisions

The following provisions also apply to this AD:

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

(2) *Contacting the Manufacturer:* For any requirement in this AD to obtain instructions from a manufacturer, the instructions must be accomplished using a method approved by Manager, AIR-520, Continued Operational Safety Branch, FAA; or Transport Canada; or Airbus Canada Limited Partnership's Transport Canada Design Approval Organization (DAO). If approved by the DAO, the approval must include the Designee's 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; phone: 516-228-7366; email: joseph.catanzaro@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) Transport Canada AD CF-2024-37, dated November 4, 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; telephone 888-663-3639; email TC.AirworthinessDirectives-Consignesdenavigabilite.TC@tc.gc.ca. You may find this material on the Transport Canada website at tc.canada.ca/en/aviation.

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

(5) You may view this material at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA,

visit www.archives.gov/federal-register/cfr/ibr-locations or email fr.inspection@nara.gov.

Issued on September 10, 2025.

Peter A. White,

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

[FR Doc. 2025–17733 Filed 9–12–25; 8:45 am]

BILLING CODE 4910–13–P

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

Agricultural Marketing Service

[Doc. No. AMS–SC–24–0079]

Revision of Seven U.S. Grade Standards for Canned Tomato Products

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Notice and request for comments.

SUMMARY: The Agricultural Marketing Service (AMS) proposes to revise seven U.S. grade standards for canned tomato products. AMS is proposing to update the color sections in the grade standards, replace the two-term grading system (dual-nomenclature) with a single term, and make editorial changes. AMS is also proposing to change the spelling of “catsup” to the more commonly used term “ketchup.”

DATES: Comments must be submitted on or before November 14, 2025.

ADDRESSES: Interested persons are invited to submit written comments to the USDA, Specialty Crops Inspection Division, 100 Riverside Parkway, Suite 101, Fredericksburg, VA 22406; fax: (540) 361–1199; or, at <https://www.regulations.gov>. Comments should reference the date and page number of this issue of the **Federal Register**. Comments will be posted without change, including any personal information provided. All comments received within the comment period will become part of the public record maintained by AMS and will be made available to the public via <https://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT:

Dana N. White at the address above, by phone (202) 720–5021; fax (540) 361–1199; or email to Dana.White@usda.gov. Copies of the current U.S. Standards for Grades of Tomato Ketchup, U.S.

Standards for Grades of Tomato Sauce, U.S. Standards for Grades of Tomato Juice, U.S. Standards for Grades of Canned Tomato Paste, U.S. Standards for Grades of Canned Tomato Puree, U.S. Standards for Grades of Canned Tomatoes, and U.S. Standards for Grades of Concentrated Tomato Juice are available on the Specialty Crops Inspection Division website at <https://www.ams.usda.gov/grades-standards/vegetables>. Copies of the proposed U.S. Standards for Grades of the above-mentioned canned tomato products are available at <https://www.regulations.gov>.

SUPPLEMENTARY INFORMATION: Section 203(c) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627) as amended, directs and authorizes the Secretary of Agriculture “to develop and improve standards of quality, condition, quantity, grade, and packaging, and recommend and demonstrate such standards in order to encourage uniformity and consistency in commercial practices.”

AMS is committed to carrying out this authority in a manner that facilitates the marketing of agricultural commodities and makes copies of official standards available upon request. The U.S. Standards for Grades of Fruits and Vegetables that no longer appear in the Code of Federal Regulations are maintained by AMS at: <https://www.ams.usda.gov/grades-standards>. AMS is proposing revisions to certain parts of these U.S. Standards for Grades using the procedures that appear in part 36 of title 7 of the Code of Federal Regulations (7 CFR part 36).

Background

AMS continually reviews all fruit and vegetable grade standards to ensure their usefulness to industry, modernize language, and remove duplicative terminology. AMS determined that seven grade standards require changes: U.S. Standards for Grades of Tomato Catsup, U.S. Standards for Grades of Tomato Sauce, U.S. Standards for Grades of Tomato Juice, U.S. Standards for Grades of Canned Tomato Paste, U.S. Standards for Grades of Canned Tomato Puree, U.S. Standards for Grades of Canned Tomatoes, and U.S. Standards for Grades of Concentrated Tomato Juice. The color section of these grade standards references Munsell color discs

that are no longer used to determine color. The color sections would be updated to remove specific references to the Munsell color discs and to instead reference the USDA color chip information (A1, A2, C1, and C2) and use guidance. Color chip information is available on the Listing of Fresh and Processed Commodity Visual Aids on the AMS website at: <https://www.ams.usda.gov/grades-standards/how-purchase-equipment-and-visual-aids>. The color sections would note that the availability and procedure for using USDA color standards can be obtained by contacting USDA at the website above. AMS is also proposing to remove specific addresses for licensed suppliers of color standards. Contact information for current licensed suppliers is available in the Fresh and Processed Equipment Catalog at the website above.

More recently developed grade standards use a single term, such as “U.S. Grade A” or “U.S. Grade B,” to describe each level of quality within a grade standard. Older grade standards used dual nomenclature, such as “U.S. Grade A or U.S. Fancy,” “U.S. Grade B or U.S. Extra Standard,” and “U.S. Grade C or U.S. Standard,” to describe the same level of quality. The terms “U.S. Fancy,” “U.S. Extra Standard,” and “U.S. Standard” would be removed and the terms “U.S. Grade A,” “U.S. Grade B,” and “U.S. Grade C” would be used exclusively.

AMS is proposing to add a table to section 52.5170 of the U.S. Standards for Grades of Canned Tomatoes named “Table II Low Individual Drained Weights for Canned Tomatoes and Stewed Tomatoes, All Grades, All Styles (ounces).” This table will show the individual drained weights allowed for each level of quality and container size.

Finally, AMS is proposing to make editorial changes, including inserting section headings and changing “catsup” to the more commonly used term “ketchup” to align with the Food and Drug Administration’s standard of identity and commercial practices.

The following table summarizes the changes currently under consideration by AMS.

U.S. standards for grades of canned tomato products	Effective date	Proposed color section revisions	Other proposed revisions
Tomato Catsup	02/26/92	Remove text under section 52.2106, "Color," pertaining to the use of the Munsell color discs. Add information about the USDA Color Standards for Tomato Products for determining color.	Add section headings from the previous version of the standards, which had been erroneously removed. Change "catsup" to "ketchup" throughout the standard.
Tomato Sauce	11/17/94	Remove text under section 52.2372, "Color," pertaining to the use of the Munsell color discs. Add information about the USDA Color Standards for Tomato Products for determining color.	Add section headings from the previous version of the standards, which had been erroneously removed. Revise section 52.2371, "Product description," to highlight the refractive index criteria and include the low individual sample allowance. Revise table 1 of section 52.2375, column "U.S. Grade B" Reasonably Good Consistency to align with the definition, "3.0 to less than 4.0 or more than 12.0 but not more than 15.0."
Tomato Juice	07/22/85	Remove text under section 52.3622, "Definitions of terms," pertaining to the use of the Munsell color discs. Add information about the USDA Color Standards for Tomato Products for determining color. Remove Munsell address as a contact to order the tomato color standards.	Add section headings from the previous version of the standards, which had been erroneously removed.
Canned Tomato Paste.	09/19/77	Remove text under section 52.5048, "Color," pertaining to the use of the Munsell color discs. Add information about the USDA Color Standards for Tomato Products for determining color. Remove Munsell address as a contact to order the tomato color standards.	Add section headings from the previous version of the standards, which had been erroneously removed. Replace two-term grading language (dual nomenclature) with a single term to describe each quality level with the grade statements. For example, the term "U.S. Grade A or U.S. Fancy" would be revised to use the term "U.S. Grade A" under section 52.5044.
Canned Tomato Puree (Tomato Pulp).	05/01/78	Remove text under section 52.5088, "Color," pertaining to the use of the Munsell color discs. Add information about the USDA Color Standards for Tomato Products for determining color. Remove Munsell address as a contact to order the tomato color standards.	Add section headings from the previous version of the standards, which had been erroneously removed.
Canned Tomatoes	04/13/90	Remove text under section 52.5164, "Definitions of terms," pertaining to the use of the Munsell color discs. Add information about the USDA Color Standards for Canned Tomatoes for determining color.	Add section headings from the previous version of the standard, which had been erroneously removed. Revise section 52.5166, including changing the title from "Minimum drained weight averages" to "Drained weight" and reorganizing content into a better order. Reorganize section 52.5166 for clarity, including moving sections. Add a new table in section 52.5170 to show the low individual drained weights and re-number all subsequent tables.
Concentrated Tomato Juice.	02/25/70	Remove text under section 52.5205 pertaining to the use of the Munsell color discs. Add information about the USDA Color Standards for Tomato Products for determining color.	Add section headings from the previous version of the standards, which had been erroneously removed. Replace two-term grading language (dual nomenclature) with a single term to describe each quality level with the grade statements. For example, the term "U.S. Grade A or U.S. Fancy" would be revised to use the term "U.S. Grade A" under section 52.5202.

The proposed revisions to these grade standards would provide a common language for trade and better reflect the current marketing of fruits and vegetables.

A 60-day period is provided for interested persons to submit comments on the proposed grade standards. Copies of the proposed revised standards are available at <https://www.regulations.gov>. After the 60-day comment period, AMS will proceed in accordance with 7 CFR 36.3(a)(1) through (3).

Authority: 7 U.S.C. 1621–1627.

Erin Morris,
Administrator, Agricultural Marketing Service.

[FR Doc. 2025–17772 Filed 9–12–25; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Food Safety and Inspection Service

[Docket No. FSIS–2025–0013]

Availability of Guideline for Applying for Food Safety and Inspection Service Inspection

AGENCY: Food Safety and Inspection Service (FSIS), U.S. Department of Agriculture (USDA).

ACTION: Notice of availability and request for comments.

SUMMARY: FSIS is announcing the availability of and requesting comments on a new guideline titled FSIS Guideline for *Applying for USDA FSIS Inspection*. FSIS developed this guideline to provide businesses interested in applying for FSIS inspection with information about determining the need for FSIS inspection, products exempt from routine inspection, the application process, FSIS verification activities, and resources to support new applicants.

DATES: Submit comments on or before November 14, 2025.

ADDRESSES: A downloadable version of the FSIS Guideline for *Applying for USDA FSIS Inspection* is available to view and print at <https://www.fsis.usda.gov/policy/fsis-guidelines>.

FSIS invites interested persons to submit comments on this document. Comments may be submitted by one of the following methods:

- **Federal eRulemaking Portal:** This website provides the ability to type short comments directly into the comment field on this web page or attach a file for lengthier comments. Go to <https://www.regulations.gov>. Follow the on-line instructions at that site for submitting comments.

- **Mail:** Send to Docket Clerk, U.S. Department of Agriculture, Food Safety and Inspection Service, 1400 Independence Avenue SW, Mailstop 3758, Washington, DC 20250–3700.

- **Hand- or Courier-Delivered Submittals:** Deliver to 1400 Independence Avenue SW, Jamie L. Whitten Building, Room 350–E, Washington, DC 20250–3700.

Instructions: All items submitted by mail or electronic mail must include the Agency name and docket number FSIS–2025–0013. Comments received in response to this docket will be made available for public inspection and posted without change, including any personal information, to <https://www.regulations.gov>.

Docket: For access to background documents or comments received, call (202) 720–5046 to schedule a time to visit the FSIS Docket Room at 1400 Independence Avenue SW, Washington, DC 20250–3700.

FOR FURTHER INFORMATION CONTACT: Rachel Edelstein, Assistant Administrator, Office of Policy and Program Development, at (202) 205–0495 or docketclerk@usda.gov with a subject line of “Docket No. FSIS 2025–0013.” 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:

Background

FSIS is responsible for ensuring that the nation’s supply of meat, poultry, and egg products are safe, wholesome, and properly labeled. FSIS administers the Federal Meat Inspection Act (FMIA) (21 U.S.C. 601 *et seq.*), the Poultry Products Inspection Act (PPIA) (21 U.S.C. 451 *et seq.*), and the Egg Products Inspection Act (EPIA) (21 U.S.C. 1031 *et seq.*). Establishments producing products subject to these Acts must apply for and receive FSIS inspection services unless they qualify for an exemption.¹

To assist prospective applicants, particularly those operating small and very small businesses, FSIS developed the guideline *Applying for USDA FSIS Inspection*. The guideline provides information on finding resources for small and very small establishments, determining whether FSIS inspection is required based on the type of the product and intended distribution, identifying products that are exempt from routine FSIS inspection, meeting the requirements for applying for FSIS inspection, accessing commonly used FSIS guidance documents related to food safety requirements, understanding FSIS verification activities in inspected establishments, and contacting FSIS for further assistance throughout the application process.

The guideline is designed to make the application process more transparent and accessible, thereby facilitating compliance with the FMIA, PPIA, EPIA and implementing regulations. It does not establish any new regulatory requirements. It simply explains existing statutory and regulatory requirements and provides information to assist applicants in understanding how to comply with those requirements.

FSIS invites comments on all aspects of the guidance, including its clarity, completeness, and usefulness for establishments seeking to apply for inspection services. After reviewing the comments received, FSIS may update the guideline as necessary.

Additional Public Notification

Public awareness of all segments of rulemaking and policy development is

important. Consequently, FSIS will announce this **Federal Register** publication on-line through the FSIS web page located at: <https://www.fsis.usda.gov/federal-register>.

FSIS will also announce and provide a link to this **Federal Register** publication through the FSIS *Constituent Update*, which is used to provide information regarding FSIS policies, procedures, regulations, **Federal Register** notices, FSIS public meetings, and other types of information that could affect or would be of interest to our constituents and stakeholders. The *Constituent Update* is available on the FSIS web page. Through the web page, FSIS can provide information to a much broader, more diverse audience. In addition, FSIS offers an email subscription service that provides automatic and customized access to selected food safety news and information. This service is available at: <https://www.fsis.usda.gov/subscribe>. The available information ranges from recalls to export information, regulations, directives, and notices. Customers can add or delete subscriptions themselves and have the option to password protect their accounts.

USDA Non-Discrimination Statement

In accordance with Federal civil rights law and USDA civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the State or local Agency that administers the program or contact USDA through the Telecommunications Relay Service at 711 (voice and TTY). Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD–3027, found online at *How to File a Program Discrimination Complaint* and at any USDA office or write a letter

¹Exemptions can be found in 21 U.S.C. 623 for meat products, 21 U.S.C. 464 for poultry products, and 21 U.S.C. 1044 for egg products.

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.

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Justin Ransom,
Administrator.

[FR Doc. 2025-17737 Filed 9-12-25; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

[Docket #: RBS-25-BUSINESS-0005]

Notice of Funding Opportunity for the Rural Economic Development Loan and Grant Programs for Fiscal Year 2026

AGENCY: Rural Business-Cooperative Service, USDA.

ACTION: Notice.

SUMMARY: The Rural Business-Cooperative Service (RBCS or Agency), a Rural Development (RD) agency of the United States Department of Agriculture (USDA), invites applications for loans and grants under the Rural Economic Development Loan and Grant Programs (REDLG or Programs) for fiscal year (FY) 2026, subject to the availability of funding. This notice is being issued prior to the passage of a FY 2026 Appropriations Act, which may or may not provide funding for this program, to allow applicants sufficient time to leverage financing, prepare and submit their applications, and give the Agency time to process applications within FY 2026. Based on FY 2025 appropriated funding and current budget situation, the Agency estimates that approximately \$50,000,000 for Loans and \$10,000,000 for Grants will be available for FY 2026. Successful applications will be selected by the Agency for funding and subsequently awarded to the extent that funding may ultimately be made available through appropriations. All applicants are responsible for any expenses incurred in developing their applications.

DATES: The deadlines for completed applications to be received in the RD State Office for quarterly funding competitions are no later than 4:30 p.m.

(local time) on: First Quarter, September 30, 2025; Second Quarter, December 31, 2025; Third Quarter, March 31, 2026, and Fourth Quarter, June 30, 2026. The Agency will not consider any application received after the deadline for funding competition in that fiscal quarter.

ADDRESSES: Applications must be submitted in paper or electronically to the RD State Office of the state where the project is located. A list of the RD State Office contacts can be found at: rd.usda.gov/about-rd/state-offices. This notice will also be announced at grants.gov.

FOR FURTHER INFORMATION CONTACT:

Cindy Mason at cindy.mason@usda.gov, Program Management Division, Business Programs, RBCS, USDA, 1400 Independence Avenue SW, Stop 3201, Room 5803-South, Washington, DC 20250-3201, or call (202) 690-1433. For further information on this notice, please contact the RD State Office in the state which the applicant's headquarters is located. A list of RD State Office contacts is provided at the following link: rd.usda.gov/about-rd/state-offices.

SUPPLEMENTARY INFORMATION:

Overview

Federal Awarding Agency Name: Rural Business-Cooperative Service (RBCS).

Funding Opportunity Type: Rural Economic Development Loans and Grants (REDLG).

Announcement Type: Notice of Funding Opportunity (NOFO).

Funding Opportunity Number: RD-RBCS-26-REDLG.

Assistance Listing Number: 10.854.

Dates: The deadlines for complete applications to be received in the RD State Office for quarterly funding competitions are no later than 4:30 p.m. (local time) on: First Quarter, September 30, 2025; Second Quarter, December 31, 2025; Third Quarter, March 31, 2026, and Fourth Quarter, June 30, 2026.

A. Program Description

1. *Purpose of the Program.* The Rural Economic Development Loan (REDL) and Grant (REDG) Programs (REDLG or Program(s)) provide financing to eligible Rural Utilities Service (RUS) electric or telecommunications borrowers (Intermediaries) to promote rural economic development and job creation projects. Assistance provided to rural and Tribal areas, as defined, under this program may include business startup costs, business expansion, business incubators, technical assistance feasibility studies, advanced telecommunications services and

computer networks for medical, educational, and job training services, and Community Facilities, as defined at 7 CFR 4280.3, projects for economic development.

2. *Statutory and Regulatory Authority.* These Programs are authorized under Section 313B of the Rural Electrification Act of 1936, as amended and implemented by 7 CFR part 4280, subpart A.

The Full-Year Continuing Appropriations and Extensions Act, 2025 (Pub. L. 119-4) extends the set aside guidance from the Consolidated Appropriations Act, 2024 that designates funding for projects in persistent poverty counties. Persistent poverty counties is "any county that has had 20 percent or more of its population living in poverty over the past 30 years, as measured by the 1990 and 2000 decennial censuses, and 2007-2011 American Community Survey 5-year average, or any territory or possession of the United States". Section 736 expands the eligible population in persistent poverty counties to include any county seat of such a persistent poverty county that has a population that does not exceed the authorized population limit by more than 10 percent, expanding the current 50,000 population limit to 55,000 for only county seats located in persistent poverty counties. Therefore, assuming the Appropriations Act for 2025 has similar language, applicants and/or beneficiaries located in persistent poverty county seats with populations up to 55,000 (per the 2010 Census) are eligible.

3. *Definitions.* The definitions applicable to this notice are published at 7 CFR 4280.3.

4. *Application of Awards.* The Agency will review, evaluate, and score applications received in response to this notice based on the provisions found in 7 CFR part 4280, subpart A, and as indicated in this notice. Awards under the REDLG programs will be made on a competitive basis using specific selection criteria contained in 7 CFR part 4280, subpart A and as indicated in this notice. The applicant bears the full burden in preparing and submitting an application in response to this notice regardless of whether or not funding is appropriated for the programs in FY 2026.

B. Federal Award Information

Type of Awards: Loans and Grants.

Fiscal Year Funds: FY 2026.

Available Funds: Dependent upon FY 2026 appropriations. Funding is anticipated to be approximately \$50,000,000 in Loans and \$10,000,000 in Grants based on FY 2025 amounts.

RBCS may, at its discretion, increase the total level of funding available in these funding rounds from any available source provided the awards meet the requirements of the statute which made the funding available to the Agency.

Award Amounts: The Agency anticipates the following maximum amounts per award: Loans—\$1,000,000; Grants—\$300,000.

Anticipated Award Dates: First Quarter, November 30, 2025; Second Quarter, February 29, 2026; Third Quarter, May 31, 2026; and Fourth Quarter, August 31, 2026.

Performance Period: December 1, 2025, through September 30, 2027.

Renewal or Supplemental Awards: None.

Type of Assistance Instrument: Direct Loan and Financial Assistance Agreement.

C. Eligibility Information

1. **Eligible Applicants.** Loans and grants may be made to any entity that is identified by USDA RD as an eligible borrower under the Rural Electrification Act of 1936, as amended (Act). In accordance with 7 CFR 4280.13, applicants that are not delinquent on any Federal debt or not otherwise disqualified from participation in these Programs are eligible to apply. The Agency will screen applicants via the Do Not Pay portal for debarment, suspension, and delinquent Federal debt at the time of application, prior to award, and prior to disbursement of funds notwithstanding any other provision of law, any former RUS borrower that has repaid or prepaid an insured, direct, or guaranteed loan under the Act, or any not-for-profit utility that is eligible to receive an insured or direct loan under such Act shall be eligible for assistance under section 313B(a) of such Act in the same manner as a borrower under such Act. All other restrictions in this notice will apply.

The applicant and its principals must not be debarred, suspended, or otherwise excluded from participation in USDA programs, in accordance with 2 CFR parts 180 and 417. The applicant must not be delinquent on any Federal debt, nor have any outstanding judgment obtained by the U.S. in a Federal court. Upon receipt of application, prior to award, and prior to disbursement of Federal funds, the Agency will screen the applicant and its principals through the Do Not Pay System, as required by 31 U.S.C. 3354, to verify eligibility with respect to debarment, suspension, and any unresolved Federal debts. Applicants are responsible for resolving any issues

identified in the Do Not Pay System; if such issues are not resolved by the deadlines specified in this notice, the agency may proceed to award funds to other eligible applicants. Applicants are responsible for compliance with all applicable regulations, including 2 CFR parts 180 and 417.

2. **Cost Sharing or Matching.** For loans, either the ultimate recipient or the intermediary must provide supplemental funds for the project equal to at least 20 percent of the loan to the intermediary. For grants, the intermediary must establish a revolving loan fund and contribute an amount equal to at least 20 percent of the grant. The supplemental contribution must come from the intermediary's which may not be from other Federal grants, unless permitted by law.

3. Other.

(a) There are no "responsiveness" or "threshold" eligibility criteria for these loans and grants. There is no limit on the number of applications an applicant may submit under this announcement.

(b) None of the funds made available by this or any other Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to any corporation that:

(i) Has any unpaid Federal tax liability, that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability where the awarding agency is aware of the unpaid tax liability, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

(ii) Was convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

(c) Applications will not be considered for funding if they do not provide sufficient information to determine eligibility or are missing required elements.

D. Application and Submission Information

1. **Address to Request Application Package.** For further information,

entities wishing to apply for assistance should contact the RD State Office provided in the **ADDRESSES** section of this notice to obtain copies of the application package.

2. **Content and Form of Application Submission.** An application must contain all of the required elements outlined in 7 CFR 4280.39 and address each selection priority criterion outlined in 7 CFR 4280.42(b). Failure to address any of the criterion will result in a zero-point score for that criterion and will impact the overall evaluation of the application.

3. System for Award Management and Unique Entity Identifier.

(a) At the time of application, each applicant must have an active registration in the System for Award Management (SAM) before submitting its application in accordance with 2 CFR part 25. In order to register in SAM, entities will be required to obtain a Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at sam.gov/content/entity-registration.

(b) Applicants must maintain an active SAM registration, with current, accurate and complete information, at all times during which it has an active Federal award or an application under consideration by a Federal awarding agency.

(c) Applicants must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

(d) Applicants must provide a valid UEI in its application, unless determined exempt under 2 CFR 25.110.

(e) The Agency will not make an award until the applicant has complied with all SAM requirements including providing the UEI. If an applicant has not fully complied with the requirements by the time the Agency is ready to make an award, the Agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

4. Submission Dates and Times.

(a) **Application Technical Assistance Deadline Date.** Prior to official submission of grant applications, applicants may request technical assistance or other application guidance from the Agency, as long as such requests are made at least 15 days prior to each quarter submission date. Technical assistance is not meant to be an analysis or assessment of the quality of the materials submitted, a substitute for agency review of completed applications, nor a determination of

eligibility, if such determination requires in-depth analysis.

(b) *Application Deadline Dates.*

Completed applications must be received no later than 4:30 p.m. (local time) on: First Quarter, September 30, 2025; Second Quarter, December 31, 2025; Third Quarter, March 31, 2026; and Fourth Quarter, June 30, 2026. Applications must be in the RD State Office by the dates and times as indicated. If the due date falls on a Saturday, Sunday, or Federal holiday, the application is due the next business day. If completed applications are not received by the deadline established above, the application will neither be reviewed nor considered in that quarter under any circumstances.

The Agency will not solicit or consider new scoring or eligibility information that is submitted after the application deadline. The Agency also reserves the right to ask applicants for clarifying information and additional verification of assertions in the application.

5. *Intergovernmental Review.*

Executive Order (E.O.) 12372, "Intergovernmental Review of Federal Programs," applies to this program. This E.O. requires that Federal agencies provide opportunities for consultation on proposed assistance with State and local governments. Many states have established a Single Point of Contact (SPOC) to facilitate this consultation. For a list of States that maintain a SPOC, please see the USDA website: usda.gov/about-usda/general-information/staff-offices/office-chief-financial-officer/federal-financial-assistance-policy/intergovernmental-review. If your State has a SPOC, you may submit a copy of the application directly for review. Any comments obtained through the SPOC must be provided to your State Office for consideration as part of your application. If your state has not established a SPOC, you may submit your application directly to the Agency. Applications from Federally recognized Indian Tribes are not subject to this requirement.

6. *Funding Restrictions.* The grantee may utilize a previously approved indirect cost rate. Otherwise, the applicant may elect to charge the de minimis indirect cost rate as permitted under 2 CFR 200.414(f). An indirect cost rate determination may be requested with the application; however, due to the time required to evaluate indirect cost rates, it is likely that all funds will be awarded before the indirect cost rate is determined. No foreign travel is permitted. Pre-Federal award costs will only be permitted with prior written approval by the Agency.

7. *Other Submission Requirements.*

(a) There are no specific limitations on the number of pages, font size and type face, margins, paper size, number of copies, and the sequence or assembly requirements.

(b) The component pieces of this application should contain original signatures on the original application. Any form that requires an original signature but is signed electronically in the application submission, must be signed in ink by the authorized person prior to the disbursement of funds.

(c) An original copy of the application package must be filed with the RD State Office for the State where the intermediary is located.

(d) Applicants may submit applications in hard copy or electronic format as previously indicated in the **ADDRESSES** section of this notice. If the applicant wishes to hand deliver their application, the addresses for these deliveries can be located in the **ADDRESSES** section of this notice. Applicants are encouraged to contact their respective State Office for an email contact to submit an electronic application prior to the submission deadline date(s).

Applicants intending to mail applications must allow 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) or postage due applications will not be accepted.

E. Application Review Information

1. *Criteria.* All eligible and complete applications will be evaluated and scored based on the selection criteria and weights contained in 7 CFR part 4280, subpart A. Failure to address any one of the criteria by the application deadline will result in the application being determined ineligible, and the application will not be considered for funding.

2. *Review and Selection Process.* The RD State Offices will review applications to determine if they are eligible for assistance based on requirements contained in 7 CFR part 4280, subpart A. If determined eligible, applications will be submitted to the National Office. Funding projects is subject to the intermediary's satisfactory submission of the additional items required by that subpart and the RD Letter of Conditions. The Agency reserves the right to offer the applicant less than the funding requested.

F. Federal Award Administration Information

1. *Federal Award Notices.* Successful applicants will receive notification for funding from the RD State Office. Applicants must comply with all applicable statutes and regulations before the loan/grant award can be approved. Provided the application and eligibility requirements have not changed, an eligible application not selected will be reconsidered in three subsequent quarterly funding competitions for a total of four competitions. If an application is withdrawn by the applicant, it can be resubmitted and will be evaluated as a new application.

2. *Administrative and National Policy Requirements.*

(a) *Additional Requirements for Intermediaries and/or Grantees.* Additional requirements that may apply to intermediaries or grantees selected for these programs can be found in 7 CFR part 4280, subpart A and 2 CFR parts 400, 415, 416, 417, 418, 421 and 422, and 2 CFR parts 25, 170, 175, 180, 182, 184, 200 and successor regulations to these parts.

(b) *Awards.* All awards are subject to USDA grant regulations at 2 CFR part 400 which adopt the Office of Management and Budget (OMB) regulations 2 CFR part 200.

(c) *Notification.* All successful applicants will be notified by letter which will include a Letter of Conditions, and a Letter of Intent to Meet Conditions. This letter is not an authorization to begin performance. If the applicant wishes to consider beginning performance prior to the loan or grant being officially closed, all pre-award costs must be approved in writing and in advance by the Agency. The loan or grant will be considered officially awarded when all conditions in the Letter of Conditions have been met and the Agency obligates the funding for the project.

The following additional requirements apply to intermediaries or grantees selected for these Programs:

(i) Form RD 4280-2 "Rural Business-Cooperative Service Financial Assistance Agreement."

(ii) Letter of Conditions.

(iii) Form RD 1940-1, "Request for Obligation of Funds."

(iv) Form RD 1942-46, "Letter of Intent to Meet Conditions."

(v) SF LLL, "Disclosure of Lobbying Activities," if applicable.

(vi) Form SF 270, "Request for Advance or Reimbursement."

(vii) Form RD 400-4, "Assurance Agreement" must be completed by the

applicant and each prospective ultimate recipient.

(viii) Intermediaries or grantees must collect and maintain data provided by ultimate recipients on race, sex, and national origin and ensure ultimate recipients collect and maintain this data. Race and ethnicity data will be collected in accordance with OMB **Federal Register** notice, "Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity" (62 FR 58782), October 30, 1997. Sex data will be collected in accordance with Title IX of the Education Amendments of 1972. These items should not be submitted with the application but should be available upon request by the Agency.

(d) *Civil Rights*. 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.

(e) *Build America, Buy America*. Awardees that are Non-Federal Entities, defined pursuant to 2 CFR 200.1 as any State, local government, Indian Tribe, Institution of Higher Education, or nonprofit organization, shall be governed by the requirements of Section 70914 of the Build America, Buy America Act (BABAA) within the Infrastructure Investment and Jobs Act (Pub. L. 117–58). Any requests for waiver of these requirements must be submitted pursuant to USDA's guidance available online at usda.gov/ocfo/federal-financial-assistance-policy/USDABuyAmericaWaiver.

(f) *Geospatial Information*. Awardee, and any and all contracts entered into by the Awardee with respect to the Award, shall ensure that geospatial data required to be collected and provided to the Agency, conforms with the requirements of USDA Department Regulation DR–3465–001 and the Geospatial Metadata Standards set forth in the USDA Departmental Manual at DM 3465–001, which can be obtained online at usda.gov/directives/dr-3465-001 and usda.gov/directives/dm-3465-001.

3. Reporting.

(a) A financial status report and a project performance activity report will be required of all grantees on a quarterly basis until initial funds are expended and yearly thereafter, if applicable, based on the Federal FY. The grantee will complete the project within the total time available to it in accordance

with the scope of work and any necessary modifications thereof prepared by the grantee and approved by the Agency. A final project performance report will be required with the final financial status report. The final report may serve as the last quarterly report. The final report must provide complete information regarding the jobs created and supported as a result of the grant if applicable. Grantees must continuously monitor performance to ensure that time schedules are being met, projected work by time periods is being accomplished, and other performance objectives are being achieved. Grantees must submit an original of each report to the Agency no later than 30 days after the end of the quarter. The project performance reports must include, but not be limited to, the following:

(i) A comparison of actual accomplishments to the objectives established for that period;

(ii) Problems, delays, or adverse conditions, if any, which have affected or will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation;

(iii) Objectives and timetable established for the next reporting period;

(iv) Any special reporting requirements, such as jobs supported and created, businesses assisted, or economic development which results in improvements in median household incomes, and any other specific requirements, should be placed in the reporting section of the Letter of Conditions; and

(v) Within 90 days after the conclusion of the project, the intermediary will provide a final project evaluation report. The last quarterly payment will be withheld until the final report is received and approved by the Agency. Even though the intermediary may request reimbursement on a monthly basis, the last 3 months of reimbursements will be withheld until a final report, project performance, and financial status report are received and approved by the Agency.

(b) In addition to any reports that may be required by 2 CFR part 200, 400, 415, 416, 417, 418, 421 and 422, the intermediary or grantee must provide reports as required by 7 CFR part 4280, subpart A.

G. Federal Awarding Agency Contact(s)

For general questions about this announcement, please contact your RD State Office provided in the **ADDRESSES** section of this notice.

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 program, as covered in this notice, has been approved by the Office of Management and Budget (OMB) under OMB Control Number 0570–0035.

2. *National Environmental Policy Act*. All recipients under this notice are subject to the requirements of 7 CFR 1b. RBCS will review each grant application to determine its compliance with 7 CFR 1b. The applicant may be asked to provide additional information or documentation to assist RBCS with this determination.

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. *Equal Opportunity for Religious Organizations*.

(a) Faith-based organizations may apply for this award on the same basis as any other organization, as set forth at, and subject to the protections and requirements of, this part and any applicable constitutional and statutory requirements, including 42 U.S.C. 2000bb *et seq.* USDA will not, in the selection of recipients, discriminate for or against an organization on the basis of the organization's religious character, motives, or affiliation, or lack thereof, or on the basis of conduct that would not be considered grounds to favor or disfavor a similarly situated secular organization.

(b) A faith-based organization that participates in this program will retain its independence from the Government and may continue to carry out its mission consistent with religious freedom and conscience protections in Federal law. Religious accommodation may also be sought under many of these religious freedom and conscience protection laws.

(c) A faith-based organization may not use direct Federal financial assistance from USDA to support or engage in any explicitly religious activities except

when consistent with the Establishment Clause of the First Amendment and any other applicable requirements. An organization receiving Federal financial assistance also may not, in providing services funded by USDA, or in their outreach activities related to such services, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.

5. *Nondiscrimination Statement.* In accordance with Federal civil rights laws and USDA civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, 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 to obtain program information (*e.g.*, Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office or 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, a complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form, which can be obtained online at usda.gov/about-usda/general-information/staff-offices/office-assistant-secretary-civil-rights/how-file-program-discrimination-complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(a) *Mail:* U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW, Mail Stop 9410, Washington, DC 20250-9410; or

(b) *Fax:* (202) 690-7442; or

(c) *Email:* program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

Jeremy Claeys,

Administrator, Rural Business-Cooperative Service, USDA Rural Development.

[FR Doc. 2025-17770 Filed 9-12-25; 8:45 am]

BILLING CODE 3410-XY-P

COMMISSION ON CIVIL RIGHTS

Sunshine Act Meetings

AGENCY: United States Commission on Civil Rights.

ACTION: Notice of Commission public business meeting.

DATES: Friday, July 18, 2025, 10:00 a.m. EST.

ADDRESSES: Meeting to take place virtually and is open to the public via livestream on the Commission's YouTube page: <https://www.youtube.com/user/USCCR/videos>.

FOR FURTHER INFORMATION CONTACT: Joe Kim: 202-499-0263. publicaffairs@usccr.gov.

SUPPLEMENTARY INFORMATION: In accordance with the Government in Sunshine Act (5 U.S.C. 552b), the Commission on Civil Rights is holding a meeting to discuss the Commission's business for the month of July. This business meeting is open to the public. Computer assisted real-time transcription (CART) will be provided. The web link to access CART (in English) on Friday, July 18, 2025, is <https://www.streamtext.net/player?event=USCCR>. Please note that CART is text-only translation that occurs in real time during the meeting and is not an exact transcript.

Meeting Agenda

I. Approval of Agenda

II. Business Meeting

- A. Presentation by Wyoming Advisory Committee Chair on Housing Discrimination.
- B. Discussion and Vote on State Advisory Committee Appointments.
- C. Discussion and Vote on the Planning Documents for the 2026 Statutory Enforcement Report on The Federal Response to the Rise in Antisemitism on American College and University Campuses; and the 2026 Briefing Report on Mental Health in the Juvenile Justice System.
- D. Discussion and Vote on 2025 Statutory Enforcement Report: The Federal Response to Teacher Shortage Impacts on Students With Disabilities.

III. Staff Director's Report

A. Management and Operations.

IV. Adjourn Meeting

Dated: July 10, 2025.

David Ganz,

General Counsel, USCCR.

[FR Doc. 2025-17774 Filed 9-11-25; 4:15 pm]

BILLING CODE 6335-01-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-475-834]

Certain Carbon and Alloy Steel Cut-to-Length Plate From Italy: Notice of Court Decision Not in Harmony With the Results of Antidumping Duty Administrative Review; Notice of Amended Final Results

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

SUMMARY: On September 3, 2025, the U.S. Court of International Trade (CIT) issued its final judgment in *Officine Tecnosider SRL v. United States*, Court no. 23-00001, sustaining the U.S. Department of Commerce (Commerce)'s second remand results pertaining to the administrative review of the antidumping duty (AD) order on certain carbon and alloy steel cut-to-length plate (CTL Plate) from Italy covering the period May 1, 2020, through April 30, 2021. Commerce is notifying the public that the CIT's final judgment is not in harmony with Commerce's final results of the administrative review, and that Commerce is amending the final results with respect to the dumping margin assigned to Officine Tecnosider s.r.l. (OTS).

DATES: Applicable September 15, 2025.

FOR FURTHER INFORMATION CONTACT:

Rebecca M. Janz, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-2972.

SUPPLEMENTARY INFORMATION:

Background

On December 8, 2022, Commerce published its *Final Results* in the 2020-2021 AD administrative review of CTL plate from Italy.¹ In the *Final Results*,

¹ See *Certain Carbon and Alloy Steel Cut-to-Length Plate from Italy: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2020-2021*, 87 FR 75219 (December 8, 2022) (*Final Results*), and accompanying Issues and Decision Memorandum (IDM).

Commerce determined to rely on OTS’s reported annual cost of production (COP) data rather than applying the quarterly cost methodology.² OTS appealed Commerce’s *Final Results*, and, on May 15, 2023, the CIT granted Commerce’s request for a voluntary remand to reconsider whether to apply the quarterly cost methodology to OTS’s cost data.³

In its first remand redetermination, issued in September 2023, Commerce determined it was appropriate to apply the quarterly cost methodology to OTS’s COP data and recalculated OTS’s weighted-average dumping margin.⁴ On September 17, 2023, the CIT remanded for a second time, instructing Commerce to explain why Commerce’s test for applying a quarterly cost methodology is adequate to address a situation where there is only one quarter of U.S. sales data.⁵

In its second remand redetermination, issued in January 2025, Commerce continued to find it appropriate to apply the quarterly cost methodology to OTS’s COP data and provided additional analysis and explanation of this finding.⁶ The CIT sustained Commerce’s *Second Redetermination*.⁷

Timken Notice

In its decision in *Timken*,⁸ as clarified by *Diamond Sawblades*,⁹ the U.S. Court of Appeals for the Federal Circuit held that, pursuant to section 516A(c) and (e) of the Tariff Act of 1930, as amended (the Act), Commerce must publish a notice of court decision that is not “in harmony” with a Commerce determination and must suspend liquidation of entries pending a “conclusive” court decision. The CIT’s September 3, 2025 judgment constitutes a final decision of the CIT that is not in harmony with Commerce’s *Final*

² *Id.* at Comment 7.

³ See Order Granting Unopposed Motion to Voluntarily Remand Case, *Officine Tecnosider SRL v. United States*, Court No. 23–00001 (CIT May 15, 2023).

⁴ See *Final Results of Redetermination Pursuant to Court Remand, Officine Tecnosider SRL v. United States*, Court No. 23–00001 (CIT May 15, 2023), dated September 11, 2023.

⁵ See *Officine Tecnosider SRL v. United States*, Slip Op. No. 24–102, Court No. 23–00001 (CIT September 17, 2024).

⁶ See *Final Results of Second Redetermination Pursuant to Court Remand, Officine Tecnosider SRL v. United States*, Slip. Op. 24–102 (CIT September 17, 2024), dated January 15, 2025 (*Second Redetermination*).

⁷ See *Officine Tecnosider SRL v. United States*, Slip Op. No. 25–116, Court No. 23–00001 (CIT September 3, 2025).

⁸ See *Timken Co. v. United States*, 893 F.2d 337 (Fed. Cir. 1990) (*Timken*).

⁹ See *Diamond Sawblades Manufacturers Coalition v. United States*, 626 F.3d 1374 (Fed. Cir. 2010) (*Diamond Sawblades*).

Results. Thus, this notice is published in fulfillment of the publication requirements of *Timken*.

Amended Final Results

Because there is now a final court judgment, Commerce is amending its *Final Results* with respect to OTS as follows:

Producer/exporter	Weighted-average dumping margin (percent)
Officine Tecnosider s.r.l	0.00

Cash Deposit Requirements

Because OTS has a superseding cash deposit rate, *i.e.*, there have been final results published in a subsequent administrative review, we will not issue revised cash deposit instructions to U.S. Customs and Border Protection (CBP). This notice will not affect the current cash deposit rate.

Liquidation of Suspended Entries

At this time, Commerce remains enjoined by CIT order from liquidating entries that were produced and exported by OTS and were entered, or withdrawn from warehouse, for consumption during the period May 1, 2020, through April 30, 2021. These entries will remain enjoined pursuant to the terms of the injunction during the pendency of any appeals process. In the event the CIT’s ruling is not appealed, or, if appealed, upheld by a final and conclusive court decision, Commerce intends to instruct CBP to liquidate these entries without regard to dumping duties.¹⁰

Notification to Interested Parties

This notice is issued and published in accordance with sections 516A(c) and (e) and 777(i)(1) of the Act.

Dated: September 10, 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.
[FR Doc. 2025–17779 Filed 9–12–25; 8:45 am]

BILLING CODE 3510–DS–P

¹⁰ See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101, 8102–03 (February 14, 2012); see also 19 CFR 351.106(c)(2).

DEPARTMENT OF COMMERCE

International Trade Administration

[A–489–833]

Large Diameter Welded Pipe From the Republic of Türkiye: Final 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) determines that large diameter welded pipe (welded pipe) from the Republic of Türkiye (Türkiye) was not sold in the United States at less than normal value during the period of review (POR), May 1, 2023, through April 30, 2024.

DATES: Applicable September 15, 2025.

FOR FURTHER INFORMATION CONTACT: Benito Ballesteros, AD/CVD Operations, Office IX, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–7425.

SUPPLEMENTARY INFORMATION:

Background

On July 28, 2025, Commerce published the *Preliminary Results* and invited interested parties to comment.¹ No interested party submitted comments on the *Preliminary Results*. Accordingly, the final results remain unchanged from the *Preliminary Results*, and thus, there is no decision memorandum accompanying this notice. Commerce conducted this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

Scope of the Order²

The merchandise covered by the *Order* is welded pipe from Türkiye. For a complete description of the scope of the *Order*, see the *Preliminary Results* PDM.

¹ See *Large Diameter Welded Pipe from the Republic of Türkiye: Preliminary Results and Rescission, in Part, of Antidumping Duty Administrative Review; 2023–2024*, 90 FR 35500 (July 28, 2025) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

² See *Large Diameter Welded Pipe from the Republic of Turkey: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Order*, 84 FR 18799 (May 2, 2019); and *Large Diameter Welded Pipe from the Republic of Turkey: Notice of Court Decision Not in Harmony With Amended Final Determination in the Less-Than-Fair-Value Investigation; Notice of Amended Final Determination Pursuant to Court Decision; and Notice of Revocation of Antidumping Duty Order, in Part*, 85 FR 35262 (June 9, 2020) (*Amended Final Determination*) (collectively, *Order*).

Rate for Company Not Selected for Individual Examination

The Act and Commerce's regulations do not address the rate to be applied to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a less-than-fair value (LTFV) investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely on the basis of facts available.

Where the weighted-average dumping margins for individually examined respondents are zero, *de minimis*, or determined based entirely on facts available, section 735(c)(5)(B) of the Act provides that Commerce may use "any reasonable method to establish the estimated all-others rate for exporters and producers not individually investigated . . ." In this review, we calculated a weighted-average dumping margin for HDM Celik Boru Sanayi Ve Ticaret A.S (HDM Celik) of zero percent. Therefore, consistent with our practice, we assigned a rate of zero percent to Emek Boru Makine Sanayi ve Ticaret A.S. (Emek Boru), the company not selected for individual examination in this review, in accordance with section 735(c)(5)(B) of the Act.

Final Results of Review

For these final results, we determine that the following estimated weighted-average dumping margin exists for the period May 1, 2023, through April 30, 2024:

Producer/exporter	Weighted average dumping margin (percent)
HDM Celik Boru Sanayi Ve Ticaret A.S. ³	0.00
Emek Boru Makine Sanayi ve Ticaret A.S	0.00

³ This rate also applies to HDM Spiral Kaynakli Celik Boru A.S., the English name of which is HDM Spirally Welded Steel Pipe Inc.

Disclosure

Normally, Commerce will disclose to the parties in a proceeding the calculations performed in connection with the final results of review within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of the notice of final results in the **Federal Register**, in accordance with 19 CFR 351.224(b). However, because we have made no changes from the *Preliminary Results*, there are no new calculations to disclose.

Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(1), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. 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).

Commerce calculated a weighted-average dumping margin for HDM Celik of zero percent in this review. Accordingly, we intend to instruct CBP to liquidate the appropriate entries without regard to antidumping duties. For entries of subject merchandise during the POR produced by HDM Celik for which HDM Celik did not know its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate in the *Amended Final Determination* of the LTFV investigation (*i.e.*, 1.57 percent),⁴ if there is no rate for the intermediate company(ies) involved in the transaction.⁵

For Emek Boru, the company that was not selected for individual examination, we have assigned it the weighted-average dumping margin calculated for HDM Celik (*i.e.*, zero percent). Accordingly, we will instruct CBP to liquidate suspended entries during the POR for Emek Boru without regard to antidumping duties.

⁴ See *Amended Final Determination*, 85 FR at 35263.

⁵ See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication in the **Federal Register** of these final results of administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the companies listed above will be equal to the weighted-average dumping margin established in these final results of this administrative review; (2) for previously investigated or reviewed companies not covered 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 company participated; (3) if the exporter is not a firm covered in this review, or the LTFV investigation, but the producer is, then the cash deposit rate will be the cash deposit rate established for the most recently completed segment for the producer of the subject merchandise; and (4) the cash deposit rate for all other producers and exporters will continue to be 1.57 percent, the all-others rate established in the *Amended Final Determination*.⁶ These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

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

Administrative Protective Order (APO)

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

⁶ See *Amended Final Determination*, 85 FR at 35263.

Notification to Interested Parties

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

Dated: September 9, 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.

[FR Doc. 2025–17776 Filed 9–12–25; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–570–971]

Multilayered Wood Flooring From the People’s Republic of China: Notice of Court Decision Not in Harmony With the Results of Countervailing Duty Administrative Review; Notice of Amended Final Results

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

SUMMARY: On August 29, 2025, the U.S. Court of International Trade (CIT) issued its final judgment in *Evolutions Flooring, Inc. et al. v. United States*, Consol. Court No. 21–00591, sustaining the U.S. Department of Commerce (Commerce)’s remand results pertaining to the administrative review of the countervailing duty (CVD) order on multilayered wood flooring from the People’s Republic of China (China) covering the period January 1, 2018, through December 31, 2018. Commerce is notifying the public that the CIT’s final judgment is not in harmony with Commerce’s final results of the administrative review, and that Commerce is amending the final results with respect to the countervailable subsidy rate assigned to Jiangsu Senmao Bamboo Wood Industry Co., Ltd.

(Jiangsu Senmao), Riverside Plywood Corporation (Riverside Plywood) and its cross-owned affiliate Baroque Timber Industries (Zhongshan) Co., Ltd. (Baroque Timber), and the non-selected companies under review.

DATES: Applicable September 8, 2025.

FOR FURTHER INFORMATION CONTACT:

Jonathan Schueler or Laurel Smalley, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–9175 or (202) 482–3456, respectively.

SUPPLEMENTARY INFORMATION:

Background

On October 27, 2021, Commerce published its *Final Results* in the 2018 CVD administrative review of multilayered wood flooring from China. Commerce applied facts available with an adverse inference (AFA), pursuant to section 776(b) of the Tariff Act of 1930, as amended (the Act), to the Government of China (GOC) with respect to the Export Buyer’s Credit Program (EBCP), to find that both mandatory respondents under review (*i.e.*, Jiangsu Senmao and Riverside Plywood) used and benefited from the program during the POR.¹ Additionally, with respect to the Provision of Fiberboard and Veneers (including face and backboard veneer) for Less Than Adequate Remuneration (LTAR) programs, Commerce evaluated the adequacy of remuneration of Baroque Timber’s purchases of fiberboard and veneer on a batch basis to calculate the average unit value (AUV) for the respondent’s fiberboard and face veneer purchases.²

After analyzing alleged ministerial errors in the *Final Results*, on December 1, 2021, Commerce published the *Amended Final Results* to correct certain ministerial errors in Commerce’s benchmark calculations under the Provision of Plywood and Fiberboard

for LTAR programs, in addition to correcting a spelling error in the corresponding U.S. Customs and Border Protection (CBP) instructions to the *Final Results*.³

Evolutions Flooring, Inc. and Struxtur, Inc. *et al.* appealed Commerce’s *Final Results*. On March 27, 2025, the CIT remanded the *Final Results* to Commerce, granting Commerce’s request for a voluntary remand to further evaluate its use of AFA to find that Jiangsu Senmao used the EBCP and to correct an error in the benefit calculation of the Provision of Veneers for LTAR program.⁴

In its final remand redetermination, issued on July 9, 2025, Commerce found that Jiangsu Senmao did not use the EBCP during the POR and corrected Commerce’s error in the benefit calculation for Baroque Timber under the Provision of Veneers for LTAR program.⁵ The CIT sustained Commerce’s final remand redetermination.⁶

Timken Notice

In its decision in *Timken*,⁷ as clarified by *Diamond Sawblades*,⁸ the U.S. Court of Appeals for the Federal Circuit held that, pursuant to sections 516A(c) and (e) of the Act, Commerce must publish a notice of court decision that is not “in harmony” with a Commerce determination and must suspend liquidation of entries pending a “conclusive” court decision. The CIT’s August 29, 2025, judgment constitutes a final decision of the CIT that is not in harmony with Commerce’s *Final Results*. Thus, this notice is published in fulfillment of the publication requirements of *Timken*.

Amended Final Results

Because there is now a final court judgment, Commerce is amending its *Final Results* and *Amended Final Results* with respect to Jiangsu Senmao and Riverside Plywood as follows:

Producer/exporter	Subsidy rate (percent <i>ad valorem</i>)
Riverside Plywood Corporation and Its Cross-Owned Affiliates ⁹	9.02
Jiangsu Senmao Bamboo Wood Industry Co., Ltd	5.29

¹ See *Multilayered Wood Flooring from the People’s Republic of China: Final Results and Partial Rescission of Countervailing Duty Administrative Review*, 2018, 86 FR 59362 (October 27, 2021) (*Final Results*), and accompanying Issues and Decision Memorandum (IDM) at Comment 1.

² *Id.* at Comment 11.

³ See *Multilayered Wood Flooring from the People’s Republic of China: Notice of Amended Final Results of Countervailing Duty Administrative Review*, 86 FR 68219 (December 1, 2021) (*Amended*

Final Results) and accompanying Memorandum, “Allegations of Ministerial Errors in the Final Results,” dated November 23, 2021.

⁴ See *Evolutions Flooring, Inc. et al. v. United States*, Consol. Court No. 21–00591, Slip Op. 25–33 (March 27, 2025).

⁵ See *Final Results of Remand Redetermination Pursuant to Court Remand, Evolutions Flooring, Inc. et al. v. United States*, Consol. Court No. 21–00591, Slip Op. 25–33 (CIT 2025), dated July 9, 2025 (final remand redetermination), available at

<https://access.trade.gov/public/FinalRemandRedetermination>.

⁶ See *Evolutions Flooring, Inc. et al. v. United States*, Consol. Court No. 21–00591, Slip Op. 25–33 (August 29, 2025).

⁷ See *Timken Co. v. United States*, 893 F.2d 337 (Fed. Cir. 1990) (*Timken*).

⁸ See *Diamond Sawblades Manufacturers Coalition v. United States*, 626 F.3d 1374 (Fed. Cir. 2010) (*Diamond Sawblades*).

Producer/exporter	Subsidy rate (percent <i>ad valorem</i>)
Non-selected companies under review ¹⁰	7.91

Cash Deposit Requirements

Commerce will issue revised cash deposit instructions to CBP. Because the companies listed in Appendix I of this notice have a superseding cash deposit rate (*i.e.*, there have been final results published in a subsequent administrative review), we will not issue revised cash deposit instructions to CBP. This notice will not affect the current cash deposit rate for those exporters/producers. For Dailan Shengyu Science and Technology Development Co., Ltd., which does not have a superseding cash deposit rate, Commerce will issue revised cash deposit instructions to CBP.

Liquidation of Suspended Entries

At this time, Commerce remains enjoined by the CIT order from liquidating entries that: were produced and/or exported by Riverside Plywood Corporation, including its cross-owned affiliates; Jiangsu Senmao Bamboo Wood Industry Co., Ltd.; and the companies listed in Appendix II of this notice, and were entered, or withdrawn from warehouse, for consumption during the period January 1, 2018, through December 31, 2018. These entries will remain enjoined pursuant to the terms of the injunction during the pendency of any appeals process.

In the event the CIT's ruling is not appealed or, if appealed, upheld by a final and conclusive court decision, Commerce intends to instruct CBP to assess countervailing duties on unliquidated entries of subject merchandise produced and/or exported by the companies listed in Appendix II of this notice in accordance with 19 CFR 351.212(b). We will instruct CBP to assess countervailing duties on all appropriate entries covered by this review when the *ad valorem* rate is not zero or *de minimis*. Where an *ad valorem* subsidy rate is zero or *de minimis*,¹¹ we will instruct CBP to liquidate the appropriate entries without regard to countervailing duties.

⁹ Cross-owned affiliate are Baroque Timber Industries (Zhongshan) Co., Ltd. and Suzhou Times Flooring Co., Ltd.

¹⁰ The non-selected companies to which this rate applies are listed in Appendix II.

¹¹ See 19 CFR 351.106(c)(2).

Notification to Interested Parties

This notice is issued and published in accordance with sections 516A(c) and (e) and 777(i)(1) of the Act.

Dated: September 10, 2025.

Christopher Abbott,

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

Appendix I

List of Companies With Superseding Cash Deposit Requirements

1. Baroque Timber Industries (Zhongshan) Co., Ltd. and/or Riverside Plywood Corp.
2. Dalian Shumaike Floor Manufacturing Co., Ltd.
3. Dongtai Fuan Universal Dynamics, LLC
4. Dunhua City Jisen Wood Industry Co., Ltd.
5. Fine Furniture (Shanghai) Limited
6. Huzhou Chenghang Wood Co., Ltd.
7. Huzhou Sunergy World Trade Co., Ltd.
8. Jiangsu Guyu International Trading Co., Ltd.
9. Jiashan Huijiale Decoration Material Co., Ltd.
10. Jiangsu Senmao Bamboo and Wood Industry Co., Ltd.
11. Jiangsu Simba Flooring Co., Ltd.
12. Kemian Wood Industry (Kunshan) Co., Ltd.
13. Kingman Floors Co., Ltd.
14. Linyi Anying Wood Co., Ltd.
15. Scholar Home (Shanghai) New Material Co., Ltd.
16. Sino-Maple (Jiangsu) Co., Ltd.
17. Tongxiang Jisheng Import and Export Co., Ltd.
18. Yihua Lifestyle Technology Co., Ltd.
19. Zhejiang Dadongwu Green Home Wood Co., Ltd.
20. Zhejiang Fuerjia Wooden Co., Ltd.
21. Zhejiang Jiechen Wood Industry Co., Ltd.

Appendix II

List of Non-Selected Companies Subject to These Amended Final Results

1. Dailan Shengyu Science and Technology Development Co., Ltd.
2. Dalian Shumaike Floor Manufacturing Co., Ltd.
3. Dongtai Fuan Universal Dynamics, LLC
4. Dunhua City Jisen Wood Industry Co., Ltd.
5. Fine Furniture (Shanghai) Limited
6. Huzhou Chenghang Wood Co., Ltd.
7. Huzhou Sunergy World Trade Co., Ltd.
8. Jiangsu Guyu International Trading Co., Ltd.
9. Jiashan Huijiale Decoration Material Co., Ltd.
10. Jiangsu Simba Flooring Co., Ltd.
11. Kemian Wood Industry (Kunshan) Co., Ltd.
12. Kingman Floors Co., Ltd.
13. Linyi Anying Wood Co., Ltd.
14. Scholar Home (Shanghai) New Material

- Co., Ltd.
 15. Sino-Maple (Jiangsu) Co., Ltd.
 16. Tongxiang Jisheng Import and Export Co., Ltd.
 17. Yihua Lifestyle Technology Co., Ltd.
 18. Zhejiang Dadongwu Green Home Wood Co., Ltd.
 19. Zhejiang Fuerjia Wooden Co., Ltd.
 20. Zhejiang Jiechen Wood Industry Co., Ltd.
- [FR Doc. 2025–17777 Filed 9–12–25; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Science Advisory Board

AGENCY: National Oceanic and Atmospheric Administration (NOAA), Department of Commerce (DOC).

ACTION: Notice of public meeting.

SUMMARY: This notice sets forth the schedule and proposed agenda for a meeting of the Science Advisory Board (SAB). The members will discuss issues outlined in the section on Matters to be considered.

DATES: The meeting is scheduled for November 5–6, 2025, from 9:00 a.m. to 5:00 p.m. Eastern Time (ET). The time and the agenda topics described below are subject to change. For the latest agenda please refer to the SAB website: <https://sab.noaa.gov/current-meetings/>.

ADDRESSES: The November 5–6, 2025 meeting will be at the National Centers for Environmental Prediction (NCEP) Conference Center, 5830 University Research Court, College Park, MD 20740. The link for the webinar registration will be posted, when available, on the SAB website: <https://sab.noaa.gov/current-meetings/>.

FOR FURTHER INFORMATION CONTACT: Casey Stewart, Executive Director, SSMC3, Room 11360, 1315 East-West Hwy., Silver Spring, MD 20910; Phone Number: 240–381–0833; Email: noaa.scienceadvisoryboard@noaa.gov; or visit the SAB website at <https://sab.noaa.gov/current-meetings/>.

SUPPLEMENTARY INFORMATION: The NOAA's Science Advisory Board (SAB) was originally established by a Decision Memorandum dated September 25, 1997. In 2017, the SAB became a non-discretionary committee when Congress mandated that the SAB shall continue to maintain two specific subcommittees [Weather Research and Forecasting

Innovation Act of 2017 (Pub. L. 115–25) §§ 401, 508]. The SAB is the only Federal Advisory Committee with responsibility to advise the Under Secretary of Commerce for Oceans and Atmosphere on long- and short-range strategies for research, education and the application of science to resource management and environmental assessment and prediction. SAB activities and advice provide necessary input to ensure that National Oceanic and Atmospheric Administration (NOAA) science programs are of the highest quality and provide optimal support to resource management.

Status: The November 5–6, 2025, meeting will be open to public participation with a 20-minute public comment period at time allocated on the published agenda. The SAB expects that public statements presented at its meetings will not be repetitive of previously submitted verbal or written statements. In general, each individual or group making a verbal presentation will be limited to a total time of two-three minutes. Written comments for the November 5–6, 2025 meeting should be received by the SAB Executive Director's Office (noaa.scienceadvisoryboard@noaa.gov) by October 17, 2025 to provide sufficient time for SAB review. Written comments received by the SAB Executive Director after this date will be distributed to the SAB, but may not be reviewed prior to the meeting date.

Special Accommodations: This meeting is physically accessible to people with disabilities. Requests for special accommodations may be directed to the SAB Executive Director no later than 12:00 p.m. EDT on October 17, 2025.

Matters to be Considered: The meeting on November 5–6, 2025, will include the following topic(s): (1) A consent calendar for approval of Working Groups Membership and Terms of References, (2) Working groups reports on several different topics for approval and submission to NOAA, (3) NOAA Science Update and NOAA responses to previous SAB reports, and (4) Working Groups Updates.

Meeting materials, including work products, will also be available on the SAB website: <https://sab.noaa.gov/current-meetings/>.

David Holst,

Chief Financial Officer/Administrative Officer, Office of Oceanic and Atmospheric Research, National Oceanic and Atmospheric Administration.

[FR Doc. 2025–17755 Filed 9–12–25; 8:45 am]

BILLING CODE 3510-KD-P

DEPARTMENT OF COMMERCE

Patent and Trademark Office

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; Representative and Address Provisions

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

ACTION: Notice of information collection; request for comments.

SUMMARY: The United States Patent and Trademark Office (USPTO) will submit the following information collection request to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. The USPTO invites comments on the information collection renewal of 0651–0035, which helps the USPTO assess the impact of its information collection requirements and minimize the reporting burden to the public. Public comments were previously requested via the **Federal Register** on May 21, 2025, during a 60-day comment period (90 FR 21760). This notice allows for an additional 30 days for public comments.

DATES: To ensure consideration, you must submit comments regarding this information collection on or before October 15, 2025.

ADDRESSES: Written comments and recommendations for this information collection should be submitted within 30 days of the publication of this notice on the following website, <http://www.reginfo.gov/public/do/PRAMain>. Find this particular information collection by selecting “Currently under 30-day Review—Open for Public Comments” or by using the search function and entering either the title of the information collection or the OMB Control Number, 0651–0035. Do not submit Confidential Business Information or otherwise sensitive or protected information.

FOR FURTHER INFORMATION CONTACT:

- This information collection request may be viewed at <http://www.reginfo.gov/public/do/PRAMain>. Follow the instructions to view the Department of Commerce, USPTO information collections currently under review by OMB.

- Email: InformationCollection@uspto.gov. Include “0651–0035 information request” in the subject line of the message.

- Mail:** Justin Isaac, Office of the Chief Administrative Officer, United States Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313–1450.

- Telephone:** Jeffrey West, Senior Legal Advisor, 571–272–2226.

SUPPLEMENTARY INFORMATION:

Title: Representative and Address Provisions.

OMB Control Number: 0651–0035.

Abstract: This information collection includes the information necessary to submit a request to grant or revoke power of attorney for an application, patent, or reexamination proceeding, and for a registered practitioner to withdraw as attorney or agent of record. This also includes the information necessary to change the correspondence address for an application, patent, or reexamination proceeding, to request a Customer Number and manage the correspondence address and list of practitioners associated with a Customer Number, and to designate or change the correspondence address or fee address for one or more patents or applications by using a Customer Number.

Under 35 U.S.C. 2 and 37 CFR 1.31–1.32, a power of attorney may be granted to one or more joint inventors or a person who is registered to practice before the USPTO to act in an application or a patent. For an application filed before September 16, 2012, or for a patent which issued from an application filed before September 16, 2012, power of attorney may be granted by the applicant for a patent (as set forth in 37 CFR 1.41(b) (pre-AIA)) or the assignee of the entire interest of the applicant. For an application filed on or after September 16, 2012, or for a patent which issued from an application filed on or after September 16, 2012, power of attorney may be granted by the applicant for a patent (as set forth in 37 CFR 1.42) or the patent owner. The USPTO provides two different versions of most forms for establishing a power of attorney based upon whether the application was filed before September 16, 2012 or on or after September 16, 2012. Providing forms based upon whether the application was filed before September 16, 2012, or on or after September 16, 2012, reduces applicants' burden in having to determine the appropriate power of attorney requirements for a given application.

37 CFR 1.36 provides for the revocation of a power of attorney at any stage in the proceedings of a case. 37 CFR 1.36 also provides a path by which a registered patent attorney or patent agent who has been given a power of attorney may withdraw as attorney or agent of record.

A Customer Number is a unique number created by the USPTO and is used instead of a physical address. The Customer Number allows a group of filings to be associated with a single correspondence mailing address. The USPTO's Customer Number practice permits applicants, patent owners, assignees, and practitioners of record, or the representatives of record for a number of applications or patents, to change the correspondence address of a patent application or patent with one change request instead of filing separate requests for each patent or application. Any changes to the address or practitioner information associated with a Customer Number will be applied to all patents and applications associated with said Customer Number.

Changes of correspondence address or power of attorney may be filed separately for each patent or application without using a Customer Number. However, a valid Customer Number provides secure access to patent information through the registered *USPTO.gov* account using the USPTO patent electronic filing system (Patent Center), which is available through the USPTO website. Additionally, the use of a Customer Number is also required in order to grant power of attorney to more than ten practitioners or to establish a separate "fee address" for maintenance fee purposes that is different from the correspondence address for a patent or application.

Forms: (AIA = America Invents Act; SB = Specimen Book).

- PTO/AIA/80 (Power of Attorney to Prosecute Applications Before the USPTO)
- PTO/AIA/81 (Power of Attorney to One or More of the Joint Inventors and Change of Correspondence Address)
- PTO/AIA/81A (Patent—Power of Attorney or Revocation of Power of Attorney with a New Power of Attorney and Change of Correspondence Address)
- PTO/AIA/81B (Reexamination or Supplemental Examination—Patent Owner Power of Attorney or Revocation of Power of Attorney With a New Power of Attorney and Change of Correspondence Address for Reexamination or Supplemental Examination and Patent)
- PTO/AIA/82A (Transmittal for Power of Attorney To One Or More Registered Practitioners)
- PTO/AIA/82B; PTO/AIA/82C (Power of Attorney by Applicant)
- PTO/AIA/83 (Request for Withdrawal as Attorney or Agent and Change of Correspondence Address)

- PTO/SB/80 (Power of Attorney to Prosecute Applications Before the USPTO)
- PTO/SB/81 (Power of Attorney or Revocation of Power of Attorney with a New Power of Attorney and Change of Correspondence Address)
- PTO/SB/81A (Patent—Power of Attorney or Revocation of Power of Attorney with a New Power of Attorney and Change of Correspondence Address)
- PTO/SB/81B (Reexamination—Patent Owner Power of Attorney or Revocation of Power of Attorney with a New Power of Attorney and Change of Correspondence Address)
- PTO/SB/81C (Reexamination—Third Party Requester Power of Attorney or Revocation of Power of Attorney with a New Power of Attorney and Change of Correspondence Address)
- PTO/SB/83 (Request for Withdrawal as Attorney or Agent and Change of Correspondence Address)
- PTO/SB/124A (Request for Customer Number Data Change)
- PTO/SB/124B (Request for Customer Number Data Change; Practitioner Registration Number Supplemental Sheet)
- PTO/SB/125A (Request for Customer Number)
- PTO/SB/125B (Request for Customer Number; Practitioner Registration Number Supplemental Sheet)
- PTO-2248 (Request to Update a PCT Application With a Customer Number)

Type of Review: Extension and revision of a currently approved information collection.

Affected Public: Private sector.

Respondent's Obligation: Required to obtain or retain benefits.

Frequency: On occasion.

Estimated Number of Annual

Respondents: 182,085 respondents.

Estimated Number of Annual

Responses: 182,085 responses.

Estimated Time per Response: The USPTO estimates that the responses in this information collection will take the public approximately 12 minutes (0.20 hours) to 1.50 hours (90 minutes) to complete. This includes the time to gather the necessary information, create the document, and submit the completed item to the USPTO.

Estimated Total Annual Respondent Burden Hours: 88,922 hours.

Estimated Total Annual Respondent Non-Hourly Cost Burden: \$24,698.

Justin Isaac,

Information Collections Officer, Office of the Chief Administrative Officer, United States Patent and Trademark Office.

[FR Doc. 2025-17767 Filed 9-12-25; 8:45 am]

BILLING CODE 3510-16-P

DEPARTMENT OF COMMERCE

Patent and Trademark Office

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; Improving Customer Experience

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

ACTION: Notice; request for comment.

SUMMARY: The United States Patent and Trademark Office (hereafter "USPTO" or "Agency") has the following proposed Information Collection Request—"Improving Customer Experience (OMB Circular A-11, Section 280 Implementation)"—under OMB review for approval under the Paperwork Reduction Act (PRA).

DATES: Submit comments on or before: October 15, 2025.

ADDRESSES: Written comments and recommendations for this 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 Review—Open for Public Comments" or by using the search function.

FOR FURTHER INFORMATION CONTACT:

Requests for additional information should be directed to Drew Hall, Government Information Specialist, Office of the Chief Administrative Officer, via email to Drew.Hall1@uspto.gov, 571-270-1715.

SUPPLEMENTARY INFORMATION:

Title: Improving Customer Experience (OMB Circular A-11, Section 280 Implementation).

Abstract: Under the Government Service Delivery Improvement (GSDI) Act¹ and the 21st Century Integrated Digital Experience Act,² along with OMB guidance, agencies are obligated to continually improve the services they provide the public and to collect qualitative and quantitative data from the public to do so.

The purpose of this request is to facilitate the USPTO's ability to collect feedback from the public to continue to improve its services, thereby facilitating its compliance with statutory requirements and general principles of good governance.

The USPTO will only submit collections if they meet the following criteria:

- The collections are voluntary;

¹ 5 U.S.C. 321–24.

² 44 U.S.C. 3501 note.

- The collections are low-burden for respondents (based on considerations of total burden hours or burden-hours per respondent) and are low-cost for both the respondents and the Federal Government;

- The collections are non-controversial, meaning they do not raise issues that warrant public comment;

- Any collection is targeted to the solicitation of opinions from respondents who have experience with the program or may have experience with the program in the near future;

- Personally identifiable information (PII) is collected only to the extent necessary and the Agency will comply with applicable legal and policy requirements to ensure its protection;

- Information gathered is intended to be used for general service improvement and program management purposes;

- The Agency will follow the procedures specified in any relevant OMB guidance for the required reporting to OMB of data from surveys; and

- With the exception of the reporting mentioned in the bullet immediately above, if the Agency intends to release journey maps, user personas, reports, or other data-related summaries stemming from this collection, the agency must include appropriate caveats around those summaries, noting that the sample size and response rates must be considered as the basis for any conclusions to be made. The Agency must submit the data summary itself (e.g., the report) and the caveat language mentioned above to OMB before it releases them outside the agency. OMB will engage in a passback process with the Agency.

Data

Type of Review: Renewal of an existing collection.

Affected Public: Individuals and Households, Businesses and Organizations (Private Sector), State, Local or Tribal Government.

Estimated Number of Respondents: Below is an estimate of the aggregate burden hours for this new collection.

Activities: Four types, namely: Screeners (e.g., distributed before or during a usability testing session or other kind of session); Question script for focus group, interview group, etc. Scripts for usability testing sessions are, in general, exempt from PRA review; Surveys to obtain feedback immediately following a transaction—Limited to 15 questions and 5 minutes max; Other surveys.

Average Number of Respondents per Activity: 1 response per respondent per activity.

Annual Responses: 1,101,500.

Average Minutes per Response: 3 minutes–90 minutes, dependent upon activity.

Burden Hours: USPTO requests 100,800 burden hours.

Request for Comments: The USPTO invites comments on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the Agency's estimate of the burden (including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Obtaining Copies of Proposals: Requesters may obtain a copy of the information collection documents from Drew Hall, Government Information Specialist, Office of the Chief Administrative Officer, via email at Drew.Hall1@uspto.gov.

Justin Isaac,

Information Collections Officer, Office of the Chief Administrative Officer, United States Patent and Trademark Office.

[FR Doc. 2025-17765 Filed 9-12-25; 8:45 am]

BILLING CODE P

DEPARTMENT OF EDUCATION

[ED-2025-FSA-0713]

Request for Information on Developing and Implementing a Common Manual for the Federal Direct Loan Program; Correction

AGENCY: Office of Federal Student Aid, Department of Education.

ACTION: Request for Information; correction.

SUMMARY: On September 8, 2025 the U.S. Department of Education published a request for information in the **Federal Register** seeking public comment on a request for information on developing and implementing a common manual for the Federal Direct Loan program. The document contained the incorrect Docket ID Number, FSA-XXXX-XXXX.

SUPPLEMENTARY INFORMATION: The Acting Chief Operating Officer, Federal

Student Aid, hereby issues a correction notice as required by the Paperwork Reduction Act.

Correction

In the **Federal Register** of September 8, 2025, FR Doc. 2025-17216, at 90 FR 43181, in column 3; page 43181, columns 1, 2, and 3; page 43183, columns 1, 2, and 3; page 43184, columns 1, 2, and 3, the Docket ID Number is corrected to read: ED-2025-FSA-0713.

James Bergeron,

Acting Chief Operating Officer, Federal Student Aid.

[FR Doc. 2025-17766 Filed 9-12-25; 8:45 am]

BILLING CODE P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 14797-001]

California Department of Water Resources; Notice of Availability of Environmental Assessment

In accordance with the National Environmental Policy Act of 1969 and the Federal Energy Regulatory Commission's (Commission) regulations, 18 CFR part 380, the Office of Energy Projects has reviewed the application for a new license to continue to operate and maintain the Devil Canyon Project No. 14797. The project is located on the East Branch of the California Aqueduct, in San Bernardino County, California. The project occupies 220.98 acres of federal lands administered by the U.S. Forest Service, as part of the San Bernardino National Forest.

The EA contains staff's analysis of the potential environmental impacts of the project and concludes that licensing the project, with appropriate environmental protective measures, would not constitute a major federal action that would significantly affect the quality of the human environment.

The Commission provides all interested persons with an opportunity to view and/or print the EA 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. For assistance, contact FERC Online Support at FERCOnlineSupport@ferc.gov, or at (866) 208-3676 (toll-free), or (202) 502-8659 (TTY).

You may also register online at <https://ferconline.ferc.gov/ferconline.aspx> to be notified via email of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

Any comments should be filed with the Commission by 5:00 p.m. Eastern Standard Time on October 13, 2025.

The Commission strongly encourages electronic filing. Please file comments using the Commission's eFiling system at <https://ferconline.ferc.gov/ferconline.aspx>. Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at [https://ferconline.ferc.gov/](https://ferconline.ferc.gov/ferconline.aspx)

[QuickComment.aspx](https://ferconline.ferc.gov/QuickComment.aspx). For assistance, please contact FERC Online Support. 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 P-14797-001.

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 by telephone at (202) 502-6595 or by email at OPP@ferc.gov.

For further information, contact Quinn Emmering, the FERC coordinator for the project relicensure, by phone at (202) 502-6382 or email at Quinn.Emmering@ferc.gov.

Dated: September 10, 2025.

Carlos D. Clay,

Deputy Secretary.

[FR Doc. 2025-17764 Filed 9-12-25; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 5274-001]

New Hampshire Department of Environmental Services; Notice of Intent To Prepare an Environmental Assessment

On June 2, 2025, as supplemented on June 13, 2025, New Hampshire Department of Environmental Services (exemptee) filed an application to surrender its exemption for the Squam Lake Dam Hydroelectric Project No. 5274. The Project is located on the Squam River, in Grafton County, New Hampshire. The project does not occupy any federal lands.

The exemptee proposes to surrender the project exemption. The generating equipment has not operated since 2002. No modifications to the existing dam, buildings, or structures and no ground disturbing activities are proposed. The applicant has already disconnected the phase leads from the electrical grid. The applicant proposes to remove the electrical connections to the generators within the powerhouse and disable and/or remove the generating equipment and ancillary electrical equipment from the powerhouse. There would be no work on the dam or spillway. Upon surrender of the exemption, the penstock gates will be left in the closed and locked position. The dam would remain in place with no changes to its components, ownership, operation, maintenance procedures, or monitoring procedures. Flows would continue to pass over the spillway and through three low-level outlet sluice gates. Outlet gates and equipment needed for regular dam operation would remain operable.

Commission staff public noticed the application on July 11, 2025, and solicited comments, motions to intervene, and protests, with the comment period ending on August 12, 2025. No comments were received in response to the Commission's notice.

This notice identifies Commission staff's intention to prepare an environmental assessment (EA) for the project.¹ Commission staff plans to issue an EA by February 9, 2026. Revisions to the schedule may be made as appropriate. The EA will be issued for a 30-day comment period. All comments filed on the EA will be

¹ In accordance with the Council on Environmental Quality's regulations, the unique identification number for documents relating to this environmental review is EAXX-019-20-000-1755615924. 40 CFR 1501.5(c)(4) (2024).

reviewed by staff and considered in the Commission's final decision on the proceeding.

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.

Any questions regarding this notice may be directed to Kelly Fitzpatrick at 202-502-8435 or kelly.fitzpatrick@ferc.gov.

Dated: September 10, 2025.

Carlos D. Clay,

Deputy Secretary.

[FR Doc. 2025-17763 Filed 9-12-25; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #1

Take notice that the Commission received the following exempt wholesale generator filings:

Docket Numbers: EG25-520-000.

Applicants: Baron Winds II LLC.

Description: Baron Winds II LLC submits Notice of Self-Certification of Exempt Wholesale Generator Status.

Filed Date: 9/9/25.

Accession Number: 20250909-5189.

Comment Date: 5 p.m. ET 9/30/25.

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER18-140-012.

Applicants: Lackawanna Energy Center LLC.

Description: Supplement to 06/30/2023 Triennial Market Power Analysis for Northeast Region of Lackawanna Energy Center LLC.

Filed Date: 9/8/25.

Accession Number: 20250908-5168.

Comment Date: 5 p.m. ET 9/29/25.

Docket Numbers: ER22-2122-001; ER13-1248-003.

Applicants: Patua Project LLC, NGP Blue Mountain I LLC.

Description: Amendment to 06/29/2022, Triennial Market Power Analysis for Northwest Region of NGP Blue Mountain I LLC, et al.

Filed Date: 9/8/25.

Accession Number: 20250908–5160.
Comment Date: 5 p.m. ET 9/29/25.
Docket Numbers: ER25–2898–000.
Applicants: 64NB 8me LLC.
Description: Supplement to 07/18/2025 64NB 8 ME LLC tariff filing.
Filed Date: 9/8/25.
Accession Number: 20250908–5161.
Comment Date: 5 p.m. ET 9/18/25.
Docket Numbers: ER25–3044–001.
Applicants: Midcontinent Independent System Operator, Inc., American Transmission Company LLC.
Description: Tariff Amendment: American Transmission Company LLC submits tariff filing per 35.17(b): 2025–09–10_SA 4540 ATCLLC–MBLP Substitute Original CFA to be effective 9/30/2025.
Filed Date: 9/10/25.
Accession Number: 20250910–5054.
Comment Date: 5 p.m. ET 10/1/25.
Docket Numbers: ER25–3380–001.
Applicants: Louisville Gas and Electric Company.
Description: Tariff Amendment: LGEKU ibv CRA Corrections to be effective 11/7/2025.
Filed Date: 9/10/25.
Accession Number: 20250910–5028.
Comment Date: 5 p.m. ET 10/1/25.
Docket Numbers: ER25–3384–001.
Applicants: Louisville Gas and Electric Company.
Description: Tariff Amendment: LGEKU KYMEA CRA Correction to be effective 11/7/2025.
Filed Date: 9/10/25.
Accession Number: 20250910–5035.
Comment Date: 5 p.m. ET 10/1/25.
Docket Numbers: ER25–3399–000.
Applicants: Baron Winds II LLC.
Description: Initial Rate Filing: FERC Market Based Rate to be effective 9/11/2025.
Filed Date: 9/10/25.
Accession Number: 20250910–5000.
Comment Date: 5 p.m. ET 10/1/25.
Docket Numbers: ER25–3400–000.
Applicants: American Electric Power Service Corporation.
Description: 205(d) Rate Filing: AEPSC submits FAs with Buckeye Power—SA No. 1336 to be effective 11/10/2025.
Filed Date: 9/10/25.
Accession Number: 20250910–5011.
Comment Date: 5 p.m. ET 10/1/25.
Docket Numbers: ER25–3401–000.
Applicants: PJM Interconnection, L.L.C.
Description: Tariff Amendment: Cancellation of ISA No. 5961; Queue No. AE1–226 to be effective 11/10/2025.
Filed Date: 9/10/25.
Accession Number: 20250910–5016.
Comment Date: 5 p.m. ET 10/1/25.

Docket Numbers: ER25–3402–000.
Applicants: Niagara Mohawk Power Corporation, New York Independent System Operator, Inc.
Description: 205(d) Rate Filing: New York Independent System Operator, Inc. submits tariff filing per 35.13(a)(2)(iii): NMPC 205: Generator IA among NMPC and Curtis/Pamer SA2918 to be effective 8/21/2025.
Filed Date: 9/10/25.
Accession Number: 20250910–5038.
Comment Date: 5 p.m. ET 10/1/25.
Docket Numbers: ER25–3403–000.
Applicants: Tri-State Generation and Transmission Association, Inc.
Description: 205(d) Rate Filing: Initial Filing of Rate Schedule FERC No. 426 to be effective 11/10/2025.
Filed Date: 9/10/25.
Accession Number: 20250910–5043.
Comment Date: 5 p.m. ET 10/1/25.
Docket Numbers: ER25–3404–000.
Applicants: Midcontinent Independent System Operator, Inc.
Description: 205(d) Rate Filing: 2025–09–10_SA 4551 NSP–North Star Energy Storage GIA (S1053) to be effective 8/27/2025.
Filed Date: 9/10/25.
Accession Number: 20250910–5049.
Comment Date: 5 p.m. ET 10/1/25.
Docket Numbers: ER25–3405–000.
Applicants: PJM Interconnection, L.L.C.
Description: Tariff Amendment: Notice of Cancellation of GIA SA No. 7391; Project Identifier No. AF2–082 to be effective 11/10/2025.
Filed Date: 9/10/25.
Accession Number: 20250910–5060.
Comment Date: 5 p.m. ET 10/1/25.
Docket Numbers: ER25–3406–000.
Applicants: Southwest Power Pool, Inc.
Description: 205(d) Rate Filing: Tariff Clean-Up Effective 20250810 to be effective 8/10/2025.
Filed Date: 9/10/25.
Accession Number: 20250910–5063.
Comment Date: 5 p.m. ET 10/1/25.
Docket Numbers: ER25–3407–000.
Applicants: Public Service Company of New Hampshire.
Description: 205(d) Rate Filing: Kearsarge Grissom LLC—Engineering, Design and Procurement Agreement to be effective 9/11/2025.
Filed Date: 9/10/25.
Accession Number: 20250910–5068.
Comment Date: 5 p.m. ET 10/1/25.
Docket Numbers: ER25–3408–000.
Applicants: PJM Interconnection, L.L.C.
Description: Tariff Amendment: Notice of Cancellation of ISA, SA No. 6675; AE1–225 re: withdrawn to be effective 11/10/2025.

Filed Date: 9/10/25.
Accession Number: 20250910–5074.
Comment Date: 5 p.m. ET 10/1/25.
 Take notice that the Commission received the following electric securities filings:
Docket Numbers: ES25–72–000.
Applicants: Baltimore Gas and Electric Company.
Description: Application Under Section 204 of the Federal Power Act for Authorization to Issue Securities of Baltimore Gas and Electric Company.
Filed Date: 9/8/25.
Accession Number: 20250908–5162.
Comment Date: 5 p.m. ET 9/29/25.
Docket Numbers: ES25–73–000.
Applicants: Commonwealth Edison Company.
Description: Application Under Section 204 of the Federal Power Act for Authorization to Issue Securities of Commonwealth Edison Company.
Filed Date: 9/8/25.
Accession Number: 20250908–5163.
Comment Date: 5 p.m. ET 9/29/25.
Docket Numbers: ES25–74–000; ES25–75–000.
Applicants: Potomac Electric Power Company, Delmarva Power & Light Company.
Description: Application Under Section 204 of the Federal Power Act for Authorization to Issue Securities of Delmarva Power & Light Company, et al.
Filed Date: 9/8/25.
Accession Number: 20250908–5164.
Comment Date: 5 p.m. ET 9/29/25.
Docket Numbers: ES25–76–000.
Applicants: PECO Energy Company.
Description: Application Under Section 204 of the Federal Power Act for Authorization to Issue Securities of PECO Energy Company.
Filed Date: 9/8/25.
Accession Number: 20250908–5165.
Comment Date: 5 p.m. ET 9/29/25.
 Take notice that the Commission received the following electric reliability filings:
Docket Numbers: RR25–4–001.
Applicants: Western Electricity Coordinating Council, Texas Reliability Entity, Inc., SERC Reliability Corporation, ReliabilityFirst Corporation, Northeast Power Coordinating Council, Inc., Midwest Reliability Organization, North American Electric Reliability Corporation.
Description: Amendment to the Revised Pro Forma Regional Delegation Agreement and Revised Individual Regional Delegation Agreements of North American Electric Reliability Corporation.
Filed Date: 9/8/25.

Accession Number: 20250908–5170.
Comment Date: 5 p.m. ET 9/29/25.

The filings are accessible in the Commission's eLibrary system (<https://elibrary.ferc.gov/idnws/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: September 10, 2025.

Carlos D. Clay,

Deputy Secretary.

[FR Doc. 2025–17761 Filed 9–12–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

Filings Instituting Proceedings

Docket Numbers: RP25–1146–000.

Applicants: El Paso Natural Gas Company, L.L.C.

Description: 4(d) Rate Filing: Negotiated Rate Agreement Update (SRP Sept–Oct 2025) to be effective 9/16/2025.

Filed Date: 9/10/25.

Accession Number: 20250910–5047.

Comment Date: 5 p.m. ET 9/22/25.

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/idnws/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.

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Dated: September 10, 2025.

Carlos D. Clay,

Deputy Secretary.

[FR Doc. 2025–17762 Filed 9–12–25; 8:45 am]

BILLING CODE 6717–01–P

FEDERAL TRADE COMMISSION

Sunshine Act Meetings

AGENCY: Federal Trade Commission.

ACTION: Announcement of meeting.

SUMMARY: Please take notice that the Federal Trade Commission ("Commission") has scheduled a meeting, which will be closed to the public, for the consideration of a law enforcement matter.

DATES: This closed Commission meeting will occur on Wednesday, September 17, 2025, starting at 9:00 a.m. eastern time.

ADDRESSES: Federal Trade Commission Building, 600 Pennsylvania Avenue NW, Washington, DC 20580.

FOR FURTHER INFORMATION CONTACT: April J. Tabor, Secretary of the

Commission (phone: 202–326–3310), Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580.

SUPPLEMENTARY INFORMATION: The Commission will be meeting in closed session to consider a non-adjudicative law enforcement matter. It has not scheduled any adjudicative items for discussion at this meeting.

Record of Commission's Vote

On September 10, 2025, Commissioners Ferguson, Holyoak, and Meador were recorded as voting in the affirmative to close this meeting for a non-adjudicative matter. By these votes, the Commission approved withholding from this meeting notice such information as is exempt from disclosure under 5 U.S.C. 552b(c).

Commission's Explanation of Closing

The Commission has determined that the meeting will be closed to the public pursuant to 5 U.S.C. 552b(c)(3), (4), (7)(A), and (10), and 552b(d)(4) and that the public interest does not require the meeting to be open to the public.

General Counsel Certification

The General Counsel has certified that the meeting may properly be closed for the above agenda matter, citing the following relevant exemptive provisions: 5 U.S.C. 552b(c)(3), (4), (7)(A), and (10).

Expected Attendees

Commission employees and consultants and the stenographer or court reporter preparing any necessary verbatim transcript may attend the closed meeting to the extent permitted under Rule 4.15(c)(1) of the Commission's Rules of Practice.

By direction of the Commission.

April J. Tabor,

Secretary.

[FR Doc. 2025–17754 Filed 9–11–25; 11:15 am]

BILLING CODE 6750–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Agency for Healthcare Research and Quality

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Agency for Healthcare Research and Quality, HHS.

ACTION: Information collection notice.

SUMMARY: This notice announces the intention of the Agency for Healthcare

Research and Quality (AHRQ) to request that the Office of Management and Budget (OMB) approve the extension, without change, of the currently approved information collection project "Surveys on Patient Safety Culture Hospital Database" (OMB No. 0935–0162).

DATES: Comments on this notice must be received by November 14, 2025

ADDRESSES: Written comments should be submitted to: AHRQ by email at REPORTSCLEARANCEOFFICER@ahrq.hhs.gov.

Copies of the proposed collection plans, data collection instruments, and specific details on the estimated burden can be obtained from the AHRQ Reports Clearance Officer.

FOR FURTHER INFORMATION CONTACT: Margie Shofer, AHRQ Reports Clearance Officer, 301–427–1696 or by email at REPORTSCLEARANCEOFFICER@ahrq.hhs.gov.

SUPPLEMENTARY INFORMATION:

Proposed Project

Surveys on Patient Safety Culture Hospital Database

Project Overview

The Surveys on Patient Safety Culture® (SOPS®) Hospital Survey is designed to enable hospitals to assess provider and staff perspectives about patient safety issues, medical error, and error reporting. In 2004, Version 1.0 of the survey, which includes 42 items that measure 12 composites of patient safety culture, was released on the AHRQ website. AHRQ made the survey publicly available along with a Survey User's Guide and other toolkit materials. In 2019, an updated version of the survey, Version 2.0, was released on the AHRQ website. This version includes a total of 40 items: 32 items across 10 composite measures, 2 single-item measures, and 6 background questions.

The AHRQ SOPS Hospital Database consists of data from the AHRQ SOPS Hospital Survey 2.0 and may include reportable, non-required supplemental items. Hospitals in the U.S. can voluntarily submit data from the survey to AHRQ, through its contractor, Westat. The SOPS Hospital Database (OMB NO. 0935–0162, last approved on October 18, 2022) was developed by AHRQ in 2006 in response to requests from hospitals interested in tracking their own survey results. Organizations submitting data receive a feedback report, as well as a report of the aggregated, de-identified findings of the other hospitals submitting data. These reports are used to assist hospital staff

in their efforts to improve patient safety culture in their organizations.

AHRQ requests that OMB approve the extension, without change, of AHRQ's collection of information for the AHRQ SOPS Hospital Database; OMB NO. 0935–0162, last approved on October 18, 2022.

Rationale for the information collection. The SOPS Hospital Survey and the SOPS Hospital Database support AHRQ's goals of promoting improvements in the quality and safety of healthcare in hospitals. The survey, toolkit materials, and database results are all made publicly available on AHRQ's website. Technical assistance is provided by AHRQ through its contractor at no charge to hospitals, to facilitate the use of these materials for hospital patient safety and quality improvement.

The SOPS Hospital Database seeks to answer the following research questions:

1. What is the current state of patient safety culture in hospitals?
2. Has there been a change in patient safety culture scores since the previous database?
3. Are there differences in scores based on staff position and unit/work area?

This research has the following goals:

1. Produce aggregated results from hospitals that voluntarily submit their data; and
 2. Provide feedback reports to hospitals that voluntarily submit their data to help them identify their strengths and areas for improvement in patient safety culture.
- This study is being conducted by AHRQ through its contractor, Westat, pursuant to AHRQ's statutory authority to conduct and support research on health care and on systems for the delivery of such care, including activities with respect to the quality, effectiveness, efficiency, appropriateness and value of healthcare services and with respect to surveys and database development [42 U.S.C 299a(a)(1) and (8)].

Method of Collection

1. Hospital Eligibility and Registration Form—The hospital point-of-contact (POC) completes several data submission forms, beginning with the completion of an online Eligibility and Registration Form. The purpose of this form is to collect basic demographic information about the hospital and initiate the registration process.
2. Hospital Site Information—The purpose of the site information form, also completed by the hospital POC, is to collect background characteristics of

the hospital. This information will be used to analyze data collected with the SOPS Hospital Survey.

3. Data Use Agreement—The purpose of the data use agreement, submitted by the hospital POC, is to state how data submitted by hospitals will be used and to provide privacy assurances.

4. SOPS Hospital Data File(s) Submission—The hospital POC uploads their data file(s), using the SOPS Hospital Survey data file specifications to ensure that users submit their data in a standardized way (e.g., variable names, order, coding, formatting). The number of submissions to the database is likely to vary from submission period to submission period because hospitals do not administer the survey and submit data every year. Data submission is typically handled by one POC who is either a patient safety manager in the hospital or a survey vendor who contracts with a hospital to collect and submit their data. On average, hospital POCs submit data on behalf of 3 hospitals because many hospitals are part of a health system that includes many hospitals, or the POC is a vendor that is submitting data for multiple hospitals.

Estimated Annual Respondent Burden

Exhibit 1 shows the estimated annualized burden hours for the respondents' time to participate in the database. An estimated 165 POCs, each representing an average of 3 individual hospitals, will complete the database submission steps and forms annually. Each POC will submit the following:

1. Hospital Eligibility and Registration Form—Completed once by 165 hospital POCs. The form takes about 3 minutes to complete.
2. Hospital Site Information—Completed an average of three times by the 165 hospital POCs. The form takes 5 minutes to complete.

3. Data Use Agreement—Completed once by 165 hospital POCs. The form takes about 3 minutes to complete.

4. SOPS Hospital Survey Data File(s) Submission—Each of the 165 POCs will submit their SOPS Hospital Survey Data. The data submission requires an hour on average to complete.

The total annual burden hours are estimated to be 222 hours.

Exhibit 2 shows the estimated annualized cost burden based on the respondents' time to submit their data. The cost burden is estimated to be \$31,880 annually.

EXHIBIT 1—ESTIMATED ANNUALIZED BURDEN HOURS

Form name	Number of respondents/ POCs	Number of responses per POC	Hours per response	Total burden hours
1. Hospital Eligibility/Registration Form	165	1	3/60	8
2. Hospital Site Information	165	3	5/60	41
3. Data Use Agreement	165	1	3/60	8
4. SOPS Hospital Survey Data File(s) Submission	165	1	1	165
Total	N/A	N/A	N/A	222

EXHIBIT 2—ESTIMATED ANNUALIZED COST BURDEN

Form name	Number of respondents/ POCs	Total burden hours	Average hourly wage rate *	Adjusted hourly rate **	Total cost burden
1. Hospital Eligibility/Registration Form	165	8	\$71.80	\$143.60	\$1,149
2. Hospital Site Information	165	41	71.80	143.60	5,888
3. Data Use Agreement	165	8	71.80	143.60	1,149
4. SOPS Hospital Survey Data File(s) Submission	165	165	71.80	143.60	23,694
Total	N/A	N/A	N/A	N/A	31,880

* Mean hourly wage of \$71.80 for Medical and Health Services Managers (SOC code 11-9111) was obtained from the May 2024 National Industry-Specific Occupational Employment and Wage Estimates NAICS 622000—Hospitals, located at <https://data.bls.gov/oes/#/industry/622000>.

** The Adjusted Hourly Rate was estimated at 200% of the hourly wage.

Request for Comments

In accordance with the Paperwork Reduction Act, 44 U.S.C. 3501–3520, comments on AHRQ's information collection are requested with regard to any of the following: (a) whether the proposed collection of information is necessary for the proper performance of AHRQ's health care research and health care information dissemination functions, including whether the information will have practical utility; (b) the accuracy of AHRQ's estimate of burden (including hours and costs) of the proposed collection(s) of information; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information upon the respondents, including the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and included in the Agency's subsequent request for OMB approval of the proposed information collection. All comments will become a matter of public record.

Dated: September 10, 2025.

Mamatha Pancholi,

Deputy Director.

[FR Doc. 2025-17713 Filed 9-12-25; 8:45 am]

BILLING CODE 4160-90-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[30Day-25-0457]

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 "Aggregate Reports for Tuberculosis Program Evaluation" to the Office of Management and Budget (OMB) for review and approval. The CDC previously published a "Proposed Data Collection Submitted for Public Comment and Recommendations" notice on June 16, 2025, to obtain comments from the public and affected agencies. We received no public comments. 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

Aggregate Reports for Tuberculosis Program Evaluation (OMB Control No. 0920–0457 Exp. 1/31/2026)—Extension—National Center for HIV, Viral Hepatitis, STD, and Tuberculosis Prevention (NCHHSTP), Centers for Disease Control and Prevention (CDC).

Background and Brief Description

The CDC requests an Extension of the Aggregate Reports for Tuberculosis Program Evaluation project, currently approved under OMB No. 0920–0457, for a period of three years. Extension of this information will not require changes in the scope of the project. There are no revisions to the report forms, data definitions, or reporting instructions.

To ensure the elimination of tuberculosis in the United States, the CDC monitors indicators for key program activities, such as finding

tuberculosis infections in recent contacts of cases and in other persons likely to be infected and providing therapy for latent tuberculosis infection. In 2000, the CDC implemented two program evaluation reports for annual submission: “Aggregate Report of Follow-up and Treatment for Contacts of Tuberculosis Cases” and “Aggregate Report of Targeted Testing and Treatment for Latent Tuberculosis Infection.” The respondents for these reports are the 66 state and local tuberculosis control programs receiving federal cooperative agreement funding through the CDC Division of Tuberculosis Elimination (DTBE). These reports emphasize treatment outcomes, high-priority target populations vulnerable to tuberculosis, and electronic report entry and submission to CDC through the National Tuberculosis Indicators Project (NTIP), a secure web-based system for program

evaluation data. No other federal agency collects this type of national tuberculosis data, and the aggregate report of follow-up and treatment for contacts of tuberculosis cases, and aggregate report of targeted testing and treatment for latent tuberculosis infection are the only data sources about latent tuberculosis infection for monitoring national progress toward tuberculosis elimination with these activities. The CDC provides ongoing assistance in the preparation and utilization of these reports at the local and state levels of public health jurisdiction. The CDC also provides respondents with technical support for the NTIP software.

CDC requests OMB approval for an estimated 264 annual burden hours. There is no cost to respondents to participate other than their time.

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondent	Form name	Number of respondents	Number of responses per respondent	Average burden per response (hours)
Data clerks and Program Managers (electronic).	Follow-up and Treatment of Contacts to Tuberculosis Cases Form.	66	1	2
Data clerks and Program Managers (electronic).	Targeted Testing and Treatment for Latent Tuberculosis Infection.	66	1	2

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. 2025–17780 Filed 9–12–25; 8:45 am]

BILLING CODE 4163–18–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: Social and Community Influences on Health Integrated Review Group; Psychosocial Development, Risk and Prevention Study Section.

Date: October 9–10, 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: Anna L Riley, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3114, MSC 7759, Bethesda, MD 20892, 301–435–2889, rileyann@csr.nih.gov.

Name of Committee: Oncology 1—Basic Translational Integrated Review Group; Basic Cancer Immunobiology Study Section.

Date: October 14–15, 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: Sarita Kandula Sastry, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of

Health, 6701 Rockledge Drive, Bethesda, MD 20892, 301–402–4788, sarita.sastr@nih.gov.

Name of Committee: Population Sciences and Epidemiology Integrated Review Group; Social and Environmental Determinants of Health Study Section.

Date: October 15–16, 2025.

Time: 10:00 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: Gheda Khodr Temsah, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (301) 402–2342, temsahgk@csr.nih.gov.

Name of Committee: Cardiovascular and Respiratory Sciences Integrated Review Group; Pulmonary Injury, Repair, and Remodeling Study Section (PIRR).

Date: October 16–17, 2025.

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

Agenda: To review and evaluate grant applications.

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

Meeting Format: Virtual Meeting.

Contact Person: Ghenima Dirami, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of

Health, 6701 Rockledge Drive, Room 804 G, Bethesda, MD 20892, (240) 498-7546, diramig@csr.nih.gov.

Name of Committee: Oncology 2—Translational Clinical Integrated Review Group; Translational Immuno-Oncology Study Section.

Date: October 16–17, 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: Maria Elena Cardenas-Corona, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, 301-867-5309, maria.cardenas-corona@nih.gov.

Name of Committee: Biobehavioral and Behavioral Processes Integrated Review Group; Language and Communication Study Section.

Date: October 16–17, 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: Natalie S. Dailey, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (301) 827-4451, daileyns@csr.nih.gov.

Name of Committee: Cardiovascular and Respiratory Sciences Integrated Review Group; Clinical Integrative Cardiovascular and Hematological Sciences Study Section.

Date: October 16–17, 2025.

Time: 9:30 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: Marie-Luise Brennan, MD, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (301) 480-0732, marie-luise.brennan@nih.gov.

Name of Committee: Oncology 1—Basic Translational Integrated Review Group; Basic Mechanisms of Cancer Health Disparities Study Section.

Date: October 16, 2025.

Time: 10:00 a.m. to 7:00 p.m.

Agenda: To review and evaluate grant applications.

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

Meeting Format: Virtual Meeting.

Contact Person: Wing-hang Tong, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (302) 402-0360, tongw@mail.nih.gov.

Name of Committee: Social and Community Influences on Health Integrated

Review Group; Health Promotion in Communities 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: Helena Eryam Dagadu, MPH, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3137, Bethesda, MD 20892, (301) 435-1266, dagadu@csr.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: September 9, 2025.

Rosalind Niamke,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2025-17785 Filed 9-12-25; 8:45 am]

BILLING CODE 4140-01-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[Docket No. USCG-2025-0297]

Information Collection Request to Office of Management and Budget; OMB Control Number: 1625-0038

AGENCY: Coast Guard, DHS.

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: 1625-0038, Plan Approval and Records for Tank Vessels, Passenger Vessels, Cargo and Miscellaneous Vessels, Mobile Offshore Drilling Units, Nautical School Vessels and Oceanographic Research Vessels; without change. Our 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 November 14, 2025.

ADDRESSES: You may submit comments identified by Coast Guard docket number [USCG-2025-0297] 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-C51-P), 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., 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-2025-0297, and must be received by November 14, 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. 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: Plan Approval and Records for Tank Vessels, Passenger Vessels, Cargo and Miscellaneous Vessels, Mobile Offshore Drilling Units, Nautical School Vessels and Oceanographic Research Vessels—46 CFR Subchapters D, H, I, I–A, R and U.

OMB Control Number: 1625–0038.

Summary: This collection requires the shipyard, designer or manufacturer for the construction of a vessel to submit plans, technical information and operating manuals to the Coast Guard.

Need: Under 46 U.S.C. 3301 and 3306, the Coast Guard is responsible for enforcing regulations promoting the safety of life and property in marine transportation. The Coast Guard uses this information to ensure that a vessel meets the applicable standards for construction, arrangement and equipment under 46 CFR Subchapters D, H, I, I–A, R and U.

Forms: None.

Respondents: Shipyards, designers, and manufacturers of certain vessels.

Frequency: On occasion.

Hour Burden Estimate: The estimated burden has decreased from 3,801 hours to 2,322 hours a year, due to a decrease in the estimated annual number of responses.

Authority: The Paperwork Reduction Act of 1995; 44 U.S.C. chapter 35, as amended.

Dated: September 3, 2025.

Bradley E. White,

(Acting) Chief, Office of Privacy Management,
U.S. Coast Guard.

[FR Doc. 2025–17751 Filed 9–12–25; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[Docket No. USCG–2025–0298]

Information Collection Request to Office of Management and Budget; OMB Control Number: 1625–0001

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: 1625–0001, Report of Marine Casualty & Chemical Testing of Commercial Vessel Personnel; without change. Our 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 November 14, 2025.

ADDRESSES: You may submit comments identified by Coast Guard docket number [USCG–2025–0298] 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–C5I–P), 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. 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–2025–0298, and must be received by November 14, 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. 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: Report of Marine Casualty & Chemical Testing of Commercial Vessel Personnel.

OMB Control Number: 1625–0001.

Summary: Marine casualty information is needed for CG investigations of commercial vessel casualties involving death, vessel damage, etc., as mandated by Congress. Chemical testing information is needed to improve CG detection/reduction of drug use by mariners.

Need: As delegated by the Secretary of Homeland Security to the Commandant, 46 U.S.C. 6101 authorizes the Coast Guard to prescribe regulations for the reporting of marine casualties involving death, serious injury, material loss of property, material damage affecting the seaworthiness of a vessel, or significant harm to the environment. It also requires information on the use of alcohol be included in a marine casualty report. Section 7503 of title 46 of the U.S.C., authorizes the Coast Guard to deny the issuance of licenses, certificates of registry, and merchant mariner's documents (seaman's papers) to users of dangerous drugs. Similarly, 46 U.S.C. 7704 requires the Coast Guard to revoke such papers unless a holder provides satisfactory proofs that the holder has successfully completed a rehabilitation program acceptable to the Coast Guard and is determined to be, by a competent substance abuse professional, free from misuse of chemical substances and that the risk of subsequent misuse of chemical substances is sufficiently low to justify returning to safety-sensitive positions.

Forms:

- CG–2692, Report of Marine Casualty, Commercial Diving Casualty, or OCS-related Casualty:

- CG–2692A, Barge Addendum.
- CG–2692B, Report of Mandatory Chemical Testing Following a Serious Marine Incident Involving Vessels in Commercial Service.
- CG–2692C, Personnel Casualty Addendum.
- CG–2692D, Involved Persons and Witnesses Addendum.

Respondents: Vessel owners and operators.

Frequency: On occasion.

Hour Burden Estimate: The estimated burden has decreased from 21,525 hours to 19,179 hours a year, due to a decrease in the estimated annual number of responses.

Authority: The Paperwork Reduction Act of 1995; 44 U.S.C. chapter 35, as amended.

Dated: September 3, 2025.

Bradley E. White,

(Acting) Chief, Office of Privacy Management,
U.S. Coast Guard.

[FR Doc. 2025–17753 Filed 9–12–25; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

Accreditation and Approval of SGS North America, Inc. (Beaumont, TX) as a Commercial Gauger and Laboratory

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice of accreditation and approval of SGS North America, Inc. (Beaumont, TX), as a commercial gauger and laboratory.

SUMMARY: Notice is hereby given, pursuant to CBP regulations, that SGS North America, Inc. (Beaumont, TX), has been approved to gauge petroleum and certain petroleum products and

accredited to test petroleum and certain petroleum products for customs purposes for the next three years as of August 14, 2024.

DATES: SGS North America, Inc. (Beaumont, TX) was approved and accredited as a commercial gauger and laboratory as of August 14, 2024. The next triennial inspection date will be scheduled for August 2027.

FOR FURTHER INFORMATION CONTACT: Mrs. Allison Blair, Laboratories and Scientific Services, U.S. Customs and Border Protection, 4150 Interwood South Parkway, Houston, TX 77032, tel. 281–560–2900.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to 19 CFR 151.12 and 19 CFR 151.13, that SGS North America, Inc., 4575 Jerry Ware Drive, Beaumont, Texas 77705, has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes, in accordance with the provisions of 19 CFR 151.12 and 19 CFR 151.13.

SGS North America, Inc. (Beaumont, TX) is approved for the following gauging procedures for petroleum and certain petroleum products from the American Petroleum Institute (API):

API chapters	Title
3	Tank Gauging.
7	Temperature Determination.
8	Sampling.
12	Calculations.
17	Marine Measurement.

SGS North America, Inc. (Beaumont, TX) is accredited for the following laboratory analysis procedures and methods for petroleum and certain petroleum products set forth by the U.S. Customs and Border Protection Laboratory Methods (CBPL) and American Society for Testing and Materials (ASTM):

CBPL No.	ASTM	Title
27–03	D 4006	Standard Test Method for Water in Crude Oil by Distillation.
27–04	D 95	Standard Test Method for Water in Petroleum Products and Bituminous Materials by Distillation.
27–05	D 4928	Standard Test Method for Water in Crude Oils by Coulometric Karl Fischer Titration.
27–06	D 473	Standard Test Method for Sediment in Crude Oils and Fuel Oils by the Extraction Method.
27–08	D 86	Standard Test Method for Distillation of Petroleum Products at Atmospheric Pressure.
27–11	D 445	Standard Test Method for Kinematic Viscosity of Transparent and Opaque Liquids (and Calculation of Dynamic Viscosity).
27–13	D 4294	Standard Test Method for Sulfur in Petroleum and Petroleum Products by Energy Dispersive X-ray Fluorescence Spectrometry.
27–14	D 2622	Standard Test Method for Sulfur in Petroleum Products by Wavelength Dispersive X-Ray Fluorescence Spectrometry.
27–48	D 4052	Standard Test Method for Density, Relative Density, and API Gravity of Liquids by Digital Density Meter.
27–54	D 1796	Standard Test Method for Water and Sediment in Fuel Oils by the Centrifuge Method (Laboratory Procedure).

Anyone wishing to employ this entity to conduct laboratory analyses and gauger services should request and receive written assurances from the entity that it is accredited or approved by the U.S. Customs and Border Protection to conduct the specific test or gauger service requested. Alternatively, inquiries regarding the specific test or gauger service this entity is accredited or approved to perform may be directed to the U.S. Customs and Border Protection by calling (281) 560–2900. The inquiry may also be sent to CBPGaugersLabs@cbp.dhs.gov. Please reference the website listed below for a complete listing of CBP approved gaugers and accredited laboratories. <http://www.cbp.gov/about/labs-scientific/commercial-gaugers-and-laboratories>.

Aine Ramirez,
Laboratory Director, Houston Laboratories and Scientific Services.
[FR Doc. 2025–17739 Filed 9–12–25; 8:45 am]
BILLING CODE 9111–14–P

DEPARTMENT OF HOMELAND SECURITY
U.S. Customs and Border Protection
Accreditation and Approval of SGS North America, Inc. (Houston, TX) as a Commercial Gauger and Laboratory
AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.
ACTION: Notice of accreditation and approval of SGS North America, Inc. (Houston, TX) as a commercial gauger and laboratory.
SUMMARY: Notice is hereby given, pursuant to CBP regulations, that SGS North America, Inc. (Houston, TX) has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes for the next three years as of July 26, 2023.
DATES: SGS North America, Inc. (Houston, TX) was approved and accredited as a commercial gauger and laboratory as of July 26, 2023. The next triennial inspection date will be scheduled for July 2026.
FOR FURTHER INFORMATION CONTACT: Mrs. Allison Blair, Laboratories and Scientific Services, U.S. Customs and Border Protection, 4150 Interwood South Parkway, Houston, TX 77032, tel. 281–560–2900.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to 19 CFR 151.12 and 19 CFR 151.13, that SGS North America, Inc., 15602 Jacintoport Blvd. Houston, Texas 77015, has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes, in accordance with the provisions of 19 CFR 151.12 and 19 CFR 151.13.
SGS North America, Inc. (Houston, TX) is approved for the following gauging procedures for petroleum and certain petroleum products from the American Petroleum Institute (API):

API chapters	Title
3	Tank Gauging.
7	Temperature Determination.
8	Sampling.
12	Calculations.
14	Natural Gas Fluids.
17	Marine Measurement.

SGS North America, Inc. (Houston, TX) is accredited for the following laboratory analysis procedures and methods for petroleum and certain petroleum products set forth by the U.S. Customs and Border Protection Laboratory Methods (CBPL) and American Society for Testing and Materials (ASTM):

CBPL No.	ASTM	Title
27–11	D 445	Standard Test Method for Kinematic Viscosity of Transparent and Opaque Liquids (and Calculation of Dynamic Viscosity).
27–48	D 4052	Standard Test Method for Density, Relative Density, and API Gravity of Liquids by Digital Density Meter.
27–50	D 93	Standard Test Methods for Flash-Point by Pensky-Martens Closed Cup Tester.
N/A	D 92	Standard Test Method for Flash and Fire Points by Cleveland Open Cup Tester.

Anyone wishing to employ this entity to conduct laboratory analyses and gauger services should request and receive written assurances from the entity that it is accredited or approved by the U.S. Customs and Border Protection to conduct the specific test or gauger service requested. Alternatively, inquiries regarding the specific test or gauger service this entity is accredited or approved to perform may be directed to the U.S. Customs and Border Protection by calling (281) 560–2900. The inquiry may also be sent to CBPGaugersLabs@cbp.dhs.gov. Please reference the website listed below for a complete listing of CBP approved gaugers and accredited laboratories. <http://www.cbp.gov/about/labs-scientific/commercial-gaugers-and-laboratories>.

scientific/commercial-gaugers-and-laboratories.
Aine Ramirez,
Laboratory Director, Houston, Laboratories and Scientific Services.
[FR Doc. 2025–17741 Filed 9–12–25; 8:45 am]
BILLING CODE 9111–14–P
DEPARTMENT OF HOMELAND SECURITY
U.S. Customs and Border Protection
Approval of Bureau Veritas Commodities and Trade, Inc. (Sulphur, LA) as a Commercial Gauger
AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice of approval of Bureau Veritas Commodities and Trade, Inc. (Sulphur, LA) as a commercial gauger.
SUMMARY: Notice is hereby given, pursuant to CBP regulations, that Bureau Veritas Commodities and Trade, Inc. (Sulphur, LA) has been approved to gauge petroleum and certain petroleum products for customs purposes for the next three years as of June 5, 2024.
DATES: Bureau Veritas Commodities and Trade, Inc. (Sulphur, LA) was approved as a commercial gauger as of June 5, 2024. The next triennial inspection date will be scheduled for June 2027.
FOR FURTHER INFORMATION CONTACT: Mrs. Allison Blair, Laboratories and Scientific Services, U.S. Customs and Border Protection, 4150 Interwood South Parkway, Houston, TX 77032, tel. 281–560–2900.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to 19 CFR 151.13, that Bureau Veritas Commodities and Trade, Inc., 384 N Post Oak Road, Sulphur, LA 70663, has been approved to gauge petroleum and certain petroleum products for customs purposes, in accordance with the provisions of 19 CFR 151.13. Bureau Veritas Commodities and Trade, Inc. (Sulphur, LA) is approved for the following gauging procedures for petroleum and certain petroleum products from the American Petroleum Institute (API):

API chapters	Title
3	Tank Gauging.
5	Metering.
7	Temperature Determination.
8	Sampling.
12	Calculations.
14	Natural Gas Fluids Measurement.
17	Marine Measurement.

Anyone wishing to employ this entity to conduct gauger services should request and receive written assurances from the entity that it is approved by the U.S. Customs and Border Protection to conduct the specific gauger service requested. Alternatively, inquiries regarding the specific gauger service this entity is approved to perform may be directed to the U.S. Customs and Border Protection by calling (281) 560-2900. The inquiry may also be sent to CBPGaugersLabs@cbp.dhs.gov. Please reference the website listed below for a complete listing of CBP approved gaugers and accredited laboratories. <http://www.cbp.gov/about/labs-scientific/commercial-gaugers-and-laboratories>.

Aine Ramirez

Laboratory Director, Houston, Laboratories and Scientific Services Directorate.

[FR Doc. 2025-17740 Filed 9-12-25; 8:45 am]

BILLING CODE 9111-14-P

DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

Revocation of Freeboard International (Linden, NJ), as an Approved Commercial Gauger

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: General notice of revocation of Freeboard International as a customs-approved gauger.

SUMMARY: Notice is hereby given, pursuant to the U.S. Customs and Border Protection (CBP) regulations, that CBP's approval for Freeboard International's Linden, NJ facility has been revoked from gauging petroleum and petroleum products for customs purposes.

DATES: The date of revocation is September 15, 2025.

FOR FURTHER INFORMATION CONTACT: Dr. Laura Granell-Ortiz, Laboratories and Scientific Services, U.S. Customs and Border Protection, 1331 Pennsylvania Avenue NW, Suite 1501A North, Washington, DC 20004, tel. 202-344-1060.

SUPPLEMENTARY INFORMATION: Notice is hereby given that, regarding Freeboard International (Freeboard), 2500 Brunswick Avenue, Linden, NJ 07036, Freeboard's approval has been indefinitely revoked from gauging petroleum and petroleum products for customs purposes in accordance with section 151.13 of the U.S. Customs and Border Protection (CBP) regulations in title 19 of the Code of Federal Regulations (CFR), (19 CFR 151.13). The basis for this revocation is pursuant to 19 CFR 151.13(d)(1)(vii) and 151.13(i)(1)(ii)(G), for the failure to meet the obligation as a CBP-approved commercial gauger to maintain a customs bond in accordance with part 113 of the CBP regulations (19 CFR part 113).

Inquiries regarding the entity's status as an approved gauger may be directed to CBP by calling (202) 344-1060 or by sending an email to CBPGaugersLabs@cbp.dhs.gov. Please reference the website listed below for a complete listing of CBP-approved commercial gaugers and accredited laboratories. <http://www.cbp.gov/about/labs-scientific/commercial-gaugers-and-laboratories>.

Dated: August 29, 2025.

Kelli A. Tippet,

Acting Assistant Commissioner, Laboratories and Scientific Services.

[FR Doc. 2025-17735 Filed 9-12-25; 8:45 am]

BILLING CODE 9111-14-P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-7092-N 29; OMB Control No.: 2502-0204]

30-Day Notice of Proposed Information Collection: Owner's Certification With HUD Tenant Eligibility and Rent Procedures

AGENCY: Office of Policy Development and Research, Chief Data Officer, HUD.

ACTION: Notice.

SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comments from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 30 days of public comment.

DATES: *Comments Due Date:* October 15, 2025.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. 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: Anna Guido, PRA Compliance Officer, Paperwork Reduction Act Division, PRAD, Department of Housing and Urban Development, 451 7th Street SW, Room 8210, Washington, DC 20410; email at PaperworkReductionActOffice@hud.gov, ATTN: Anna Guido, telephone (202) 402-5535. 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>.

Copies of available documents submitted to OMB may be obtained from Ms. Guido.

SUPPLEMENTARY INFORMATION: This notice informs the public that HUD is seeking approval from OMB for the information collection described in Section A. The **Federal Register** notice that solicited public comment on the information collection for a period of 60 days was published on July 9, 2024 at 89 FR 56399.

A. Overview of Information Collection

Title of Information Collection:
Owner's Certification with HUD Tenant Eligibility and Rent Procedures.

OMB Approval Number: 2502-0204.

Type of Request: Reinstatement, with change, of previously approved collection for which approval has expired.

Form Number: HUD-50059, HUD-50059 Instructions, HUD-50059-A, HUD-50059-A, Instructions, HUD-9887/9887-A, HUD-27061-H, HUD-92236, HUD-90100, HUD-90101, HUD-90102, HUD-90104, HUD-90105-a, HUD-90105-b, HUD-90105-c, HUD-90105-d, HUD-90106, HUD-90011 (Enterprise Income Verification (EIV) System Multifamily Housing Coordinator Access Authorization Form), HUD-90012 (Enterprise Income Verification (EIV) System User Access Authorization Form), EIV and You Brochure, Resident Rights and Responsibilities Brochure, and Fact Sheet for HUD Assisted Residents.

Description of the need for the information and proposed use: The

Department needs to collect this information to determine tenant eligibility for subsidized housing, establish priority among eligible applicants, and ensure compliance with fair housing laws, including the prohibition of racial discrimination in tenant selection and unit assignments. HUD also uses this information to verify tenant incomes, rents, and assistance to prevent improper payments to property owners. Additionally, HUD is required to report annually to Congress and the public on the race, ethnicity, and gender composition of subsidy program beneficiaries. Collecting this data is essential to promote fair practices in tenant assignments and maintain accountability in HUD Multifamily programs.

The Tenant Rental Assistance Certification System (TRACS) is a HUD computer system developed to automate manual procedures for collecting program data and incorporating automated financial controls. TRACS supports HUD's ability to collect and maintain accurate tenant and payment data, automate financial management,

reduce manual processes and paperwork, forecast rental assistance budgets, and detect fraud, waste, and abuse in rental assistance programs. TRACS Release 2.0.3.A reflects modifications to comply with Congressional mandates, HUD regulations, and updates to OMB-approved forms. These changes include enhancements to data collection and form validation to improve accuracy and compliance. Notable changes include updates to HUD Form 27061-H (Race and Ethnic Data Reporting) under Executive Order 13515, HUD-91067 (Lease Addendum) to align with Violence Against Women Act (VAWA) protections, and HUD-50059 (Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures) to reflect new program requirements such as the 811 PRA Demonstration Program and Rental Assistance Demonstration (RAD) data reporting. The electronic collection of this information is necessary to ensure compliance with updated policies and procedures.

Information collection	Number of respondents	Frequency of response	Responses per annum	Burden hours per response	Total annual burden hours	Hourly cost to public	Total annual cost to public
Race and Ethnic Data Reporting Form (form HUD-27061-H)	154,543	1	154,543	0.17	26,272	\$37.69	\$990,203
Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures (form HUD-50059)	2,238,197	1	2,238,197	0.50	1,119,099	37.69	42,178,822
Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures (form HUD-50059-A)	1,525,680	1	1,525,680	0.13	198,338	37.69	7,475,374
Enterprise Income Verification (EIV) System Multifamily Housing Coordinator Access Authorization Form (form HUD-90011)	8,540	1	8,540	0.25	2,135	37.69	80,468
Enterprise Income Verification (EIV) System User Access Authorization Form (form HUD-90012) ...	36,053	2	72,106	0.25	18,027	37.69	679,419
Recertification Notice (Exhibit 7-1: Annual Recertification Initial Notice; form HUD-90100)	2,238,197	1	2,238,197	0.08	179,056	37.69	6,748,612
Certification of Long-Term Care Insurance (form HUD-90101) ...	56,140	1	56,140	0.17	9,544	37.69	359,706
Verification of Disability (form HUD-90102) ...	3,364	1	3,364	0.08	269	37.69	10,143

Information collection	Number of respondents	Frequency of response	Responses per annum	Burden hours per response	Total annual burden hours	Hourly cost to public	Total annual cost to public
Exceptions to Limitations on Admission of Families (form HUD-90104)	7,363	1	7,363	0.20	1,473	37.69	55,502
Model Lease for Subsidized Programs (form HUD-90105-A)	137,357	1	137,357	0.08	10,989	37.69	414,159
Model Lease for Section 202/8 or Section 202/162 Projects (form HUD-90105-B)	1,520	1	1,520	0.08	122	37.69	4,583
Model Lease for Section 202 Project Rental Assistance Contract (form HUD-90105-C)	11,820	1	11,820	0.08	946	37.69	35,640
Model Lease for Section 811 Project Rental Assistance Contract (form HUD-90105-D)	3,100	1	3,100	0.08	248	37.69	9,347
Model Lease for Section 811 Project Rental Assistance Program (form HUD-92236)	651	1	651	0.08	52	37.69	1,963
Move-In/Move-Out Inspection Form (form HUD-90106)	367,090	1	367,090	0.08	29,367	37.69	1,106,850
Applicant's/Tenant's Consent to the Release of Information (form HUD-9887/-9887-A)	171,883	1	171,883	0.17	29,220	37.69	1,101,306
Totals	6,961,498	.....	6,997,551	.....	1,625,155	.....	61,252,097

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

(1) 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;

(2) The accuracy of the agency's estimate of the burden of the proposed collection of information;

(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 those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, *e.g.*, permitting electronic submission of responses.

HUD encourages interested parties to submit comment in response to these questions.

C. Authority

Section 2 of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507.

Anna Guido,

Department PRA Compliance Officer, Office of Policy Development and Research, Chief Data Officer.

[FR Doc. 2025-17748 Filed 9-12-25; 8:45 am]

BILLING CODE 4210-67-P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-7104-N-16; OMB Control No.: 2577-0290]

60-Day Notice of Proposed Information Collection: Public Housing Flat Rent Exception Request Market Analysis

AGENCY: Office of the Assistant Secretary for Public and Indian Housing (PIH), HUD.

ACTION: Notice.

SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act (PRA), HUD

is requesting comments from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 60 days of public comment.

DATES: *Comments Due Date:* November 14, 2025.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal.

Written comments and recommendations for the proposed information collection can be sent within 60 days of publication of this notice to www.regulations.gov by searching the Docket Number of this notice and following the prompts. Interested persons are also invited to submit comments and recommendations via post. Comments and recommendations should be postmarked within 60 days of the publication of this notice, refer to the proposal by name and/or OMB Approval Number (located at the top of this notice), and be sent to: Eva Fulton, Department of Housing and Urban Development, 451 7th Street SW, Washington, DC 20410-5000.

FOR FURTHER INFORMATION CONTACT: Eva Fulton, Department of Housing and Urban Development, 451 7th Street SW, Washington, DC 20410; email Eva Fulton at: PIH-PRAPublicComments@hud.gov, telephone (202) 402–5847. 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>.

Copies of available documents submitted to OMB may be obtained from Ms. Fulton.

SUPPLEMENTARY INFORMATION: This notice informs the public that HUD is

seeking approval from OMB for the information collection described in Section A.

A. Overview of Information Collection

Title of Information Collection: Public Housing Flat Rent Exception Request Market Analysis.

OMB Approval Number: 2577–0290.

Type of Request: Extension of a currently approved collection.

Form Number: HUD–5880.

Description of the need for the information and proposed use: Form HUD–5880 streamlines the process and reduces burden on PHAs when submitting a market analysis as part of a flat rent exception request in accordance with Notice PIH 2022–33, which implements Section 238 of Title II of Public Law 113–235, the

Department of Housing and Urban Development Appropriations Act of 2015. Notice PIH 2022–33 allows PHAs to request flat rents that are based on the local rental market conditions, when the PHA can demonstrate through a market analysis that the Fair Market Rents (FMRs) are not reflective of the local market. This version of the form has been in use since FY2023. HUD is adjusting the average number of respondents and hourly cost per response to reflect the average level of submissions in FY2023, FY2024, and FY2025 and higher wage estimates from the Occupational Employment and Wage Statistics, but HUD is not proposing any changes to the form being renewed.

Respondents: Public Housing Agencies.

Information collection	Number of respondents	Frequency of responses	Responses per annum	Burden hours per response	Annual burden hours	Hourly cost per response	Annual cost
HUD–5880—Flat Rent Market Analysis	57	1	57	8	456	\$28.06	\$12,795.36
Total	57	1	57	8	456	28.06	12,795.36

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

(1) 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;

(2) The accuracy of the agency’s estimate of the burden of the proposed collection of information;

(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 those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, *e.g.*, permitting electronic submission of responses.

HUD encourages interested parties to submit comments in response to these questions.

C. Authority

Section 2 of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507.

Laura Kunkel,
Acting Director, Office of Policy, Programs, and Legislative Initiatives.
[FR Doc. 2025–17745 Filed 9–12–25; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–7098–N–05; OMB Control No.: 2502–0059]

60-Day Notice of Proposed Information Collection: Informed Consumer Choice Disclosure and Application for HUD/ FHA Insured Mortgage

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Notice.

SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comment from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 60 days of public comment.

DATES: *Comments Due Date:* November 14, 2025.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Written comments and recommendations for the proposed information collection can be sent within 60 days of publication of this notice to www.regulations.gov. Interested persons are also invited to submit comments regarding this proposal and comments should refer to

the proposal by name and/or OMB Control Number and should be sent to: Darian Ziegler, PRA Liaison, Department of Housing and Urban Development, 451 7th Street SW, Room 9139–37, Washington, DC 20410–5000.

FOR FURTHER INFORMATION CONTACT: Darian Ziegler, PRA Liaison, Office of Housing, Department of Housing and Urban Development, 451 7th Street SW, Room 9139–37, Washington, DC 20410; email darian.ziegler@hud.gov, or telephone (202) 402–4144. 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>. Copies of available documents submitted to OMB may be obtained from Ms. Guido.

SUPPLEMENTARY INFORMATION: This notice informs the public that HUD is seeking approval from OMB for the information collection described in Section A.

A. Overview of Information Collection

Title of Information Collection: Informed Consumer Choice Disclosure and Application for HUD/FHA Insured Mortgage.

OMB Approval Number: 2502–0059.

Type of Request: Renewal.

Form Number: HUD-92900-A, HUD-92900-B, HUD-92900-LT, HUD-92561, Model Notice for Informed Consumer Choice Disclosure Settlement Certification, and HUD-92544.

Description of the need for the information and proposed use: Specific forms and related documents are needed to determine the eligibility of the borrower and proposed mortgage transaction for FHA's mortgage insurance endorsement. The collection also contains additional notification requirements for lenders on refinances with existing FHA partial claim subordinate liens. Lenders seeking FHA's insurance prepare these forms to collect and report data.

This renewal also contains a revision to the prior Supporting Statement and removes the requirement that lenders provide Fannie Mae/Freddie Mac form 1103, Supplemental Consumer Information Form (SCIF). The SCIF is required by the GSE's but in not a statutory or regulatory requirement for HUD.

Respondents: Individuals (loan applicants) and Business or other for-profit (Lenders).

Estimated Number of Respondents: 2,045.

Estimated Number of Responses: 1,922,711.

Frequency of Response: One for each FHA-insured mortgage.

Average Hours per Response: 1.35 hours (0.74) (varies per form and type of loan).

Total Estimated Burdens: 504,875.

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

(1) 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;

(2) The accuracy of the agency's estimate of the burden of the proposed collection of information;

(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 those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, *e.g.*, permitting electronic submission of responses. HUD encourages interested parties to submit comment in response to these questions.

C. Authority

Section 2 of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507.

Vance T. Morris,

Associate General Deputy Assistant Secretary for Housing.

[FR Doc. 2025-17746 Filed 9-12-25; 8:45 am]

BILLING CODE 4210-67-P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-7104-N-15; OMB Control No.: 2577-0302]

60-Day Notice of Proposed Information Collection: Housing Opportunity Through Modernization Act of 2016 (HOTMA): Public Housing Waiting List Data Collection Tool

AGENCY: Office of the Assistant Secretary for Public and Indian Housing (PIH), HUD.

ACTION: Notice.

SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comment from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 60 days of public comment.

DATES: *Comments Due Date:* November 14, 2025.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Written comments and recommendations for the proposed information collection can be sent within 60 days of publication of this notice to www.regulations.gov by searching for the Docket Number of this notice and following the prompts. Interested persons are also invited to submit comments and recommendations via post. Comments and recommendations should be postmarked within 60 days of the publication of this notice, refer to the proposal by name and/or OMB Approval Number (located at the top of this notice), and be sent to: Eva Fulton, Department of Housing and Urban Development, 451 7th Street SW, Washington, DC 20410-5000.

FOR FURTHER INFORMATION CONTACT: Eva Fulton, U.S. Department of Housing and Urban Development, 451 7th Street SW, Washington, DC 20410, email Eva.Fulton@PIH-PRAPublicComments@hud.gov, telephone (202) 402-5847. 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>.

Copies of available documents submitted to OMB may be obtained from Ms. Fulton.

SUPPLEMENTARY INFORMATION: This notice informs the public that HUD is seeking approval from OMB for the information collection described in Section A.

A. Overview of Information Collection

Title of Information Collection: Housing Opportunity Through Modernization Act of 2016 (HOTMA): Public Housing Waiting List Data Collection Tool.

OMB Control Number: 2577-0302.

Type of Request: Revision of currently approved collection.

Form Number: None.

Description of the need for the information and proposed use: This collection of information implements a statutory requirement made by Section 103 of HOTMA, which was signed into law on July 29, 2016 (Pub. L. 114-201, 130 Stat. 782). Section 103 of HOTMA amends section 16(a) of the United States Housing Act of 1937 (42 U.S.C. 1437n(a)) ("1937 Act").

Section 103 of HOTMA requires public housing agencies (PHAs) to set new rent policies for over-income families residing in a dwelling unit of public housing after a two-year grace period has ended. Additionally, PHAs must submit an annual report on the number of over-income families residing in public housing and the number of families on the public housing waiting lists. Section 103 of HOTMA permits HUD to determine the format of these annual reports. HUD has elected to utilize income data already provided when possible, as this will result in no additional burden to the PHA.

Each PHA with a Public Housing program is required to submit the total number of families on their public housing waiting lists annually (starting with Calendar Year 2023 data) utilizing the electronic Public Housing Waiting List Data Collection Tool. PHAs will be allowed to use income data already provided by Form HUD-50058, under OMB approval number 2577-0083, which is submitted electronically in the Inventory Management System/PIH Information Center to satisfy the requirement to report the annual number of over-income families residing in public housing. Per the requirements of Section 103 of HOTMA, HUD will

consolidate the data provided and

publish this information annually in a publicly available report.

ANNUAL REPORTING BURDEN								
Form No.	Form name	Number of respondents	Frequency	Total responses	Hours per response	Total hours	Cost per hour	Total cost
OMB 2577-0302 ..	Public Housing Waiting List Data Col- lection Tool.	*2,681	1	2,681	0.5 of an hr. (30 min)	1,341	**\$22.82	\$30,602
Totals .....	.....	2,681	1	2,681	0.5 of an hr. (30 min)	1,341	22.82	30,602

* Based on Public Housing Dashboard data as of 7/1/2025.

** Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, Secretaries and Administrative Assistants, <https://www.bls.gov/ooh/office-and-administrative-support/secretaries-and-administrative-assistants.htm>.

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

- (1) 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;
- (2) The accuracy of the agency’s estimate of the burden of the proposed collection of information;
- (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 those who are to respond, including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

HUD encourages interested parties to submit comments in response to these questions.

C. Authority

Section 2 of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507.

Laura Kunkel,
Acting Director, Office of Policy, Programs,
and Legislative Initiatives.
[FR Doc. 2025-17747 Filed 9-12-25; 8:45 am]
BILLING CODE 4210-67-P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS-R6-ES-2025-N020;
FXES11130600000-256-FF06E00000]

Endangered and Threatened Wildlife
and Plants; Initiation of 5-Year Status
Reviews of 20 Listed Species in the
Mountain-Prairie Region

AGENCY: Fish and Wildlife Service,
Interior.
ACTION: Notice of initiation of reviews;
request for information.

SUMMARY: We, the U.S. Fish and Wildlife Service, are initiating 5-year status reviews under the Endangered Species Act of 1973, as amended, for 20 species in the Mountain-Prairie Region. A 5-year status review is based on the best scientific and commercial data available at the time of the review. We are requesting submission of any such information that has become available since the previous 5-year status review for each species.

DATES: To ensure consideration, please submit your written information by November 14, 2025. However, we will continue to accept new information about any listed species at any time.

ADDRESSES: For instructions on how to submit information for each species, see table 1 in the **SUPPLEMENTARY INFORMATION** section.

FOR FURTHER INFORMATION CONTACT: To request information, contact the appropriate person in table 1 in the **SUPPLEMENTARY INFORMATION** section. For general information, contact Karen Newlon, Regional Recovery Project Manager, by phone at 406-430-9010 or by email at karen_newlon@fws.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: We are initiating 5-year status reviews under the Endangered Species Act of 1973, as amended (Act; 16 U.S.C. 1531 *et seq.*) for 14 plants and 6 animals in the Mountain-Prairie Region. A 5-year status review is based on the best scientific and commercial data available at the time of the review. Therefore, we are requesting submission of any such information that has become available since the most recent status review for each species.

Why do we conduct 5-year status reviews?

Under the Act (16 U.S.C. 1531 *et seq.*), we maintain Lists of Endangered and Threatened Wildlife and Plants (which we collectively refer to as the List) in the Code of Federal Regulations (CFR) at 50 CFR 17.11 (for animals) and 17.12 (for plants). Section 4(c)(2)(A) of the Act requires us to review each listed species’ status at least once every 5 years. Our regulations at 50 CFR 424.21 require that we publish a notice in the **Federal Register** announcing those species under active review. For additional information about 5-year status reviews, go to <https://www.fws.gov/project/five-year-status-reviews>.

What information do we consider in our review?

A 5-year status review considers all new information available at the time of the review. In conducting these reviews, we consider the best scientific and commercial data that have become available since the listing determination or most recent status review, such as:

(A) Species biology, including but not limited to population trends, distribution, abundance, demographics, and genetics;

(B) Habitat conditions, including but not limited to amount, distribution, and suitability;

(C) Conservation measures that have been implemented that benefit the species;

(D) Threat status and trends in relation to the five listing factors (as defined in section 4(a)(1) of the Act); and

(E) Other new information, data, or corrections, including but not limited to taxonomic or nomenclatural changes, identification of erroneous information contained in the List, and improved analytical methods.

Any new information will be considered during the 5-year status review and will also be useful in evaluating the ongoing recovery programs for the species.

Which species are under review?

This notice announces our active review of the 20 species listed in table 1 below.

TABLE 1—SPECIES UNDER REVIEW

Common name	Scientific name	Listing status	Historical range	Final listing rule (Federal Register citation and publication date)	Contact person, phone, email	Contact person's U.S. mail address
Pallid sturgeon	<i>Scaphirhynchus albus</i> .	Endangered ..	Arkansas, Illinois, Iowa, Kansas, Kentucky, Louisiana, Mis- sissippi, Missouri, Montana, Nebraska, North Dakota, South Dakota, Tennessee, and Wyoming.	55 FR 36641; 9/6/ 1990.	Wayne Nelson-Stastny, Missouri River Recov- ery Office Coordinator, 402-667-2884; wayne_nelsonstastny@fws.gov .	Ecological Services, Mis- souri River Recovery Office, 31247 436th Av- enue, Yankton, SD 57078.
Salt Creek tiger beetle.	<i>Cicindela nevadica lincolniiana</i> .	Endangered ..	Nebraska	70 FR 58335; 10/6/ 2005.	Mark Porath, Project Leader, 308-216-2077; mark_porath@fws.gov .	Ecological Services, Ne- braska Field Office, 9325 South Alda Road, Wood River, NE 68883.
Blowout penstemon	<i>Penstemon haydenii</i> .	Endangered ..	Nebraska and Wyoming	52 FR 32926; 9/1/ 1987.	Mark Porath (information above).	Ecological Services, Ne- braska Field Office (in- formation above).
Humpback chub	<i>Gila cypha</i>	Threatened ...	Arizona, Colorado, Utah, and Wyoming.	32 FR 4001; 3/11/ 1967.	Julie Stahli, Director, Upper Colorado River Recovery Program, 303-236-4573; julie_stahli@fws.gov .	Upper Colorado Endan- gered Fish River Re- covery Program, 44 Union Blvd., #120, Lakewood, CO 80228.
Barneby ridge- cress.	<i>Lepidium barnebyanum</i> .	Endangered ..	Utah	55 FR 39860; 9/28/ 1990.	George Weekley, Project Leader, 801-239-0561; george_weekley@fws.gov .	Ecological Services, Utah Field Office, 440 West 200 South, Suite 500, Salt Lake City, UT 84101.
Welsh's milkweed ..	<i>Asclepias welshii</i> ..	Threatened ...	Utah and Arizona	52 FR 41435; 10/28/ 1987.	George Weekley (informa- tion above).	Ecological Services, Utah Field Office (information above).
Kodachrome bladderpod.	<i>Lesquerella tumulosa</i> .	Endangered ..	Utah	58 FR 52027; 10/6/ 1993.	George Weekley (informa- tion above).	Ecological Services, Utah Field Office (information above).
Barneby reed-mus- tard.	<i>Schoenocrambe barnebyi</i> .	Endangered ..	Utah	57 FR 1398; 1/14/ 1992.	George Weekley (informa- tion above).	Ecological Services, Utah Field Office (information above).
Shivwits milkvetch	<i>Astragalus ampullarioides</i> .	Endangered ..	Utah	66 FR 49560; 9/28/ 2001.	George Weekley (informa- tion above).	Ecological Services, Utah Field Office (information above).
Holmgren milkvetch	<i>Astragalus holmgreniorum</i> .	Endangered ..	Utah	66 FR 49560; 9/28/ 2001.	George Weekley (informa- tion above).	Ecological Services, Utah Field Office (information above).
Utah prairie dog	<i>Cynomys parvidens</i> .	Threatened ...	Utah	38 FR 14678; 6/4/ 1973, 49 FR 22330; 5/29/1984.	George Weekley (informa- tion above).	Ecological Services, Utah Field Office (information above).
Jones cycladenia ...	<i>Cycladenia humilis var. jonesii</i> .	Threatened ...	Utah and Arizona	51 FR 16526; 5/5/ 1986.	George Weekley (informa- tion above).	Ecological Services, Utah Field Office (information above).
Maguire primrose ..	<i>Primula maguirei</i> ..	Threatened ...	Utah	50 FR 33731; 8/21/ 1985.	George Weekley (informa- tion above).	Ecological Services, Utah Field Office (information above).
June sucker	<i>Chasmistes liorus</i>	Threatened ...	Utah	51 FR 10851; 3/31/ 1986.	George Weekley (informa- tion above).	Ecological Services, Utah Field Office (information above).
Wright fishhook cactus.	<i>Sclerocactus wrightiae</i> .	Endangered ..	Utah	44 FR 58866; 10/11/ 1979.	George Weekley (informa- tion above).	Ecological Services, Utah Field Office (information above).
Dwarf bear-poppy ..	<i>Arctomecon humilis</i> .	Endangered ..	Utah	44 FR 64250; 11/6/ 1979.	George Weekley (informa- tion above).	Ecological Services, Utah Field Office (information above).
Pagosa skyrocket ..	<i>Ipomopsis polyantha</i> .	Endangered ..	Colorado	75 FR 35721; 6/23/ 2010.	Nathan Darnall, Western Colorado Supervisor, 970-628-7181; nathan_darnall@fws.gov .	Ecological Services, Western Colorado Field Office, 445 W Gunnison Ave., #240, Grand Junction, CO 81501- 5711.
Clay-loving wild buckwheat.	<i>Eriogonum pelinophilum</i> .	Endangered ..	Colorado	49 FR 28562; 7/13/ 1984.	Nathan Darnall (informa- tion above).	Ecological Services, Western Colorado Field Office (information above).
DeBeque phacelia	<i>Phacelia submutica</i> .	Threatened ...	Colorado	75 FR 35721; 6/23/ 2010.	Nathan Darnall (informa- tion above).	Ecological Services, Western Colorado Field Office (information above).

TABLE 1—SPECIES UNDER REVIEW—Continued

Common name	Scientific name	Listing status	Historical range	Final listing rule (Federal Register citation and publication date)	Contact person, phone, email	Contact person's U.S. mail address
Kendall Warm Springs dace.	<i>Rhinichthys osculus thermalis</i> .	Endangered ..	Wyoming	35 FR 16047; 10/13/ 1970.	Tyler Abbott, Project Leader, 307-772-2374; tyler_abbott@fws.gov.	Ecological Services, Wyo- ming Field Office, 5353 Yellowstone Road, #308A, Cheyenne, WY 82009.

Request for New Information

To ensure that a 5-year status review is complete and based on the best available scientific and commercial information, we request new information from all sources. See **What information do we consider in our review?** for specific criteria. If you submit information, please support it with documentation such as maps, bibliographic references, methods used to gather and analyze the data, and/or copies of any pertinent publications, reports, or letters by knowledgeable sources.

How do I ask questions or provide information?

If you wish to provide information for any species listed above, please submit your comments and materials to the appropriate contact in the table 1 above. You may also direct questions to those contacts. 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.

Public Availability of Submissions

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.

Contents of Submissions

Please make your comments as specific as possible. Please confine your comments to issues for which we seek comments in this notice and explain the basis for your comments. Include sufficient information with your comments to allow us to authenticate

any scientific or commercial data you include.

The comments and recommendations that will be most useful and likely to be relevant to agency decisions are: (1) Those supported by quantitative information or studies; and (2) Those that include citations to, and analyses of, the applicable laws and regulations.

Authority

We publish this notice under the authority of the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 *et seq.*).

Anna Muñoz

Deputy Regional Director, Lakewood, Colorado.

[FR Doc. 2025-17701 Filed 9-12-25; 8:45 am]

BILLING CODE 4333-15-P

DEPARTMENT OF THE INTERIOR

Office of the Secretary

[25XD4523WK\DS10100000\DWK000000.000000\DP10020BOR25000]

Statement of Findings: Navajo-Utah Water Rights Settlement

AGENCY: Office of the Secretary, Interior.

ACTION: Notice.

SUMMARY: The Secretary of the Interior (Secretary) is publishing this notice in accordance with the Navajo-Utah Water Rights Settlement Act (Settlement Act). The publication of this notice causes the settlement agreement executed in accordance with the Settlement Act to become enforceable and causes waivers and releases of claims executed pursuant to the Settlement Act to become effective.

DATES: This notice is effective September 15, 2025.

FOR FURTHER INFORMATION CONTACT:

Address all comments and requests for additional information to Sarah LeFlore, Acting Director, Secretary's Indian Water Rights Office, 1849 C St. NW, Mail Stop 3045, Washington, DC 20240, (202) 208-5436, sarah_leflore@ios.doi.gov.

SUPPLEMENTARY INFORMATION: The Settlement Act, section 1102 of Public Law 116-260, was enacted to resolve certain claims to water of the Navajo Nation in the State of Utah as set forth in the Navajo Utah Water Rights Settlement Agreement (Settlement Agreement) and the Settlement Act, including all claims or defenses in and to the adjudication commonly known as the Southeastern Colorado River General Adjudication, Civ. No. 810704477 (09-1) (Utah Jud. Dist. Ct., Grand Cnty.). The Settlement Parties include the Navajo Nation, the State of Utah, and the United States.

The Settlement Act and Settlement Agreement, *inter alia*, recognize and protect the Navajo Nation's rights to surface and groundwater within the boundaries of the Navajo Reservation in Utah as defined by the Settlement Act and Settlement Agreement and establish a Trust Fund to be used for water development projects on the Navajo Reservation in Utah.

Statement of Findings

In accordance with section 1102(g)(1) of the Settlement Act and section 11.1 of the Settlement Agreement, I find as follows:

(1) To the extent the Settlement Agreement conflicts with the Settlement Act, the Settlement Agreement has been revised to conform with the Settlement Act;

(2) The Settlement Agreement, as amended, including waivers and releases of claims set forth in section 12 of the Settlement Agreement and section 1102(h) of the Settlement Act, has been executed by the parties, including the United States;

(3) Congress has fully appropriated, or the Secretary has provided from other authorized sources, all funds agreed to in subsections 5.4 and 5.5 of the Settlement Agreement and authorized under section 1102(f)(1) of the Settlement Act;

(4) The State has enacted any necessary legislation and provided the funding required under subsection 5.5 of the Settlement Agreement and section 1102(f)(3) of the Settlement Act; and,

(5) the court in the Southeastern Colorado River General Adjudication has entered an interlocutory decree that confirms the Navajo Nation water rights consistent with the Settlement Agreement and the Settlement Act and, with respect to the Navajo Water Rights, is final and nonappealable.

Doug Burgum,

Secretary of the Interior.

[FR Doc. 2025–17778 Filed 9–12–25; 8:45 am]

BILLING CODE 4334–63–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[A2407–014–004–065516; #O2412–014–004–047181.1]

Lease for Sale Navajo Transitional Energy Company, Spring Creek Mine Federal Coal Lease-by-Application MTM 105485–01, Big Horn County, MT

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of coal lease sale.

SUMMARY: Notice is hereby given that Federal coal resources in lands in Big Horn County, Montana, will be offered for competitive lease by sealed bid in accordance with the provisions of the Mineral Leasing Act of 1920, as amended.

DATES: The lease sale will be held at 10 a.m. Mountain Time (MT) on October 6, 2025.

ADDRESSES: The lease sale will be held in the Main Conference Room of the Bureau of Land Management (BLM) Montana State Office, 5001 Southgate Drive, Billings, Montana 59101. Sealed bids must be submitted to the cashier, BLM Montana State Office, at this same address.

FOR FURTHER INFORMATION CONTACT:

Tessa Wallace, telephone: 406–896–5086; email: twallace@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: This sale is being held in response to a lease-by-application filed by Navajo Transitional Energy Company. The Federal coal resources to be offered are contained in four tracts located on the following described lands:

Principal Meridian, Montana

T. 8 S., R. 39 E.,

Sec. 35, E $\frac{1}{2}$;

T. 9 S., R. 39 E.,

Sec. 1, lots 1 thru 4, W $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, and E $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$;

sec. 2, NE $\frac{1}{4}$.

T. 9 S., R. 40 E.,

Sec. 6, lots 5 thru 7, S $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$,

E $\frac{1}{2}$ SW $\frac{1}{4}$, S1/2NE $\frac{1}{4}$ SE $\frac{1}{4}$,

NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, and

S $\frac{1}{2}$ SE $\frac{1}{4}$.

The areas described aggregate 1,262.57 acres, according to the official plats of the surveys on file with the BLM.

The coal in the tracts have two economic coal beds, which are designated as the Anderson coal bed and the Dietz coal bed. The Anderson bed overlies the Dietz bed with a thin parting which is taken with the coal. The Dietz bed is separated into the Upper Dietz and Lower Dietz beds, the parting of which ranges from inches to feet. The parting between the upper and lower Dietz beds increases in thickness to the east and is removed as waste during the mining process. The Anderson/Dietz beds are present in all four tracts and have a combined average thickness of 77 feet. The tracts are located adjacent to Spring Creek's current mining operation and contain approximately 167.5 million tons of mineable coal. The composite coal quality of the Anderson/Dietz coal beds and splits are as follows: Heat Content (Btu/lb.) 9,486 Btu/lb.; Moisture 24.8 percent; Ash Content 3.6 percent, Sulfur Content 0.31 percent.

The tracts will be leased to the qualified bidder of the highest cash amount, provided that the high bid meets or exceeds the BLM's estimate of the fair market value (FMV) of the tracts. The minimum bid for the tract is \$100 per acre or fraction thereof. The minimum bid is not intended to represent FMV. The authorized officer will determine if the bids meet FMV.

The sealed bids should be sent by certified mail, return receipt requested, or be hand delivered to the Public Room, BLM Montana State Office (see **ADDRESSES**), and clearly marked "Sealed Bid for MTM 105485–01 Coal Sale—Not to be opened before 10 a.m. MT on October 6, 2025." The Public Room representative will issue a receipt for each hand-delivered bid. Bids received after 9:30 a.m. MT on October 6, 2025, will not be considered. If identical high bids are received, the tying high bidders will be requested to submit follow-up sealed bids until a high bid is received. All tie-breaking sealed bids must be submitted within 15 minutes following the sale official's announcement at the sale that identical high bids have been received.

Prior to lease issuance, the high bidder, if other than the applicant, must pay the BLM the cost recovery fee in the amount of \$344,773.00, in addition to all processing costs incurred by the BLM after the date of this sale notice (43 CFR 3473.2(f)).

A lease issued because of this offering will require payment of an annual rental of \$3 per acre, or fraction thereof, and a royalty payable to the United States pursuant to section 7(a) of the Mineral Leasing Act (30 U.S.C. 207(a)) as amended.

Bidding instructions for the tracts offered and the terms and conditions of the proposed coal lease are included in the detailed statement of lease sale, copies of which are available at the BLM Montana State Office (see **ADDRESSES**). Documents in case file MTM 105485–01 are available for public inspection at the BLM Montana State Office Public Room.

(Authority: 43 CFR 3422.2)

Tessa L. Wallace,

Branch Chief, Solid Minerals, BLM Montana/Dakotas.

[FR Doc. 2025–17752 Filed 9–12–25; 8:45 am]

BILLING CODE 4331–20–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[OMB Control Number 1004–0119; A2407–014–004–065516; #O2412–014–004–047181.1]

Agency Information Collection Activities; Permits for Recreation on Public Land

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of information collection; request for comment.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (PRA), the Bureau of Land Management (BLM) proposes to renew an existing information collection.

DATES: Interested persons are invited to submit comments on or before November 14, 2025.

ADDRESSES: Send your written comments on this information collection request (ICR) by mail to Darrin King, Information Collection Clearance Officer, U.S. Department of the Interior, Bureau of Land Management, Attention PRA Office, 440 W 200 S #500, Salt Lake City, UT 84101; or by email to BLM_HQ_PRA_Comments@blm.gov. Please reference Office of Management and Budget (OMB) Control Number 1004–0119 in the subject line of your comments.

Please note that the electronic submission of comments is recommended.

FOR FURTHER INFORMATION CONTACT: Josh Travers by email at jtravers@blm.gov, or by telephone at (970) 852-7667.

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. You may also view the ICR at <http://www.reginfo.gov/public/do/PRAMain>.

SUPPLEMENTARY INFORMATION: According to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) and 5 CFR 1320.8(d)(1), all information collections require approval under the PRA. We may not conduct or sponsor, and you are not required to respond to a collection of information unless it displays a currently valid OMB control number.

As part of our continuing effort to reduce paperwork and respondent burdens, we invite the public and other Federal agencies to comment on new, proposed, revised, and continuing collections of information. This helps us assess the impact of our information collection requirements and minimize the public's reporting burden. It also helps the public understand our information collection requirements and provide the requested data in the desired format.

We are especially interested in public comment addressing the following:

- (1) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- (2) The accuracy of our estimate of the burden for this 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) How the agency might 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 response.

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 personally identifiable information in your comment, you should be aware that your entire comment—including your personally identifiable information—may be made publicly available at any time. While you can ask us in your comment to withhold your personally identifiable information from public review, we cannot guarantee that we will be able to do so.

Abstract: The BLM is required to manage special recreation permits and individual use of special areas as defined in section 802 of the Federal Lands Recreation Enhancement Act (16 U.S.C. 6801), as amended in section 311 of the EXPLORE Act. The BLM collects the information on the special recreation application to assess, evaluate, and authorize (permit) activities proposed to be conducted on public land. This OMB control number is currently scheduled to expire on June 30, 2026. The BLM plans to request that OMB renew this OMB control number for an additional 3 years.

Title of Collection: Permits for Recreation on Public Lands (43 CFR part 2930).

OMB Control Number: 1004-0119.

Form Numbers: 2930-001—Special Recreation Application.

Type of Review: Extension of a currently approved collection.

Respondents/Affected Public: Applicants for recreational use of public lands managed by the BLM.

Total Estimated Number of Annual Respondents: 1,400.

Total Estimated Number of Annual Responses: 1,400.

Estimated Completion Time per Response: 4 hours.

Total Estimated Number of Annual Burden Hours: 5,600.

Respondent's Obligation: Required to obtain or retain a benefit.

Frequency of Collection: On occasion.

Total Estimated Annual Nonhour Burden Cost: None.

An agency may not conduct or sponsor and, notwithstanding any other provision of law, a person is not required to respond to a collection of information unless it displays a currently valid OMB Control Number.

The authority for this action is the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

Darrin A. King,

Information Collection Clearance Officer.

[FR Doc. 2025-17734 Filed 9-12-25; 8:45 am]

BILLING CODE 4310-84-P

DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

[RR03250000; XXXR0680R1;
RR.175392PJ.0NEPAAA]

Notice of Intent To Prepare an Environmental Impact Statement for the GSC Farm—Queen Creek Water Transfer Project

AGENCY: Bureau of Reclamation, Interior.

ACTION: Notice of intent; request for comments.

SUMMARY: The Bureau of Reclamation (Reclamation) intends to prepare an environmental impact statement (EIS) to analyze the environmental impacts of and potential alternatives to the proposed partial assignment and transfer of Arizona fourth priority Colorado River water entitlement from GSC Farm, LLC (GSC Farm), located in La Paz County, Arizona, to the Town of Queen Creek (Queen Creek), located in Maricopa and Pinal Counties, Arizona. The EIS also will analyze wheeling the transferred entitlement through the Central Arizona Project (CAP) and associated changes in place of use, type of use, and points of diversion (Project). The EIS is required by U.S. district court orders. Reclamation is seeking public comments to identify significant issues, effects, or other alternatives to be addressed in the EIS. Reclamation is also requesting relevant information, studies, or analyses with respect to the proposed action alternatives.

DATES: A web-based virtual public scoping meeting will be held on or after September 30, 2025 to solicit comments on the scope of the EIS and the issues and alternatives that should be analyzed. Detailed information for the virtual scoping meeting process will be announced in advance through press releases, scoping letters distributed via traditional and electronic mail, postcards, newspaper ads, and the Project website at: <https://www.gscfarmqckwatertransfer.com>. At the time of this publication, the dates and log-in information for the virtual scoping meeting will be available on the Project website.

Additional opportunities to review project materials and submit comments will be provided on the Project website (<https://www.gscfarmqckwatertransfer.com>).

Comments on the scope of the EIS are due October 15, 2025. Comments should clearly articulate the reviewer's input on the range of reasonable alternatives and the environmental issues to be analyzed. Comments received, including names

and addresses of those who comment, will be part of the public record for this EIS.

ADDRESSES: Mail written comments on the EIS to the Phoenix Area Office, Bureau of Reclamation (Attn: GSC–QC Water Transfer EIS), 6150 West Thunderbird Road, Glendale, AZ 85306. Comments may also be submitted via email to dgraziani@usbr.gov, or via the Project website at: <https://www.gscfarmqckwatertransfer.com/>.

FOR FURTHER INFORMATION CONTACT: Mr. Dominic Graziani at (623) 773–6250, or by email at dgraziani@usbr.gov. Additional information is available online at <https://www.gscfarmqckwatertransfer.com/>.

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: GSC Farm held an entitlement to an annual diversion of up to 2,913.3 acre-feet of Arizona fourth-priority lower Colorado River water for irrigation use within its service area in La Paz County, Arizona under its Contract for Delivery of Colorado River Water for Use in Arizona, Contract No. 13–XX–30–W0571, dated December 23, 2013, as amended, with Reclamation. As provided in Contract No. 13–XX–30–W0571, proposed assignments and transfers of GSC Farm’s entitlement must be approved by Reclamation to be effective.

In December 2018, Queen Creek entered into a Purchase and Transfer Agreement for Mainstream Colorado River Water Entitlement with GSC Farm to acquire the GSC Farm Arizona fourth-priority Colorado River water entitlement held under Contract No. 13–XX–30–W0571. In August 2019, GSC Farm and Queen Creek submitted to the Arizona Department of Water Resources (ADWR) a request for consultation for the proposed assignment and transfer pursuant to A.R.S. sec. 45–107(D). ADWR recommended that Reclamation approve a transfer volume of 1,078.01 acre-feet per year (AFY), later revised to 2,033.01 AFY, with GSC Farm retaining 50 AFY for future consumptive use (69.93 AFY on a diversion basis) on the GSC Farm lands, and leaving 810.36 AFY of the historical return flow to remain stored in Lake Mead until released to fulfill the entitlements of downstream water users.

Consistent with ADWR’s recommendation, GSC Farm and Queen Creek sought Reclamation’s approval to partially assign and transfer 2,033.01 AFY of GSC Farm’s water entitlement under Contract No. 13–XX–30–W0571 to Queen Creek, reduce GSC Farm’s remaining entitlement under Contract No. 13–XX–30–W0571 to 50 AFY (69.93 AFY on a diversion basis), enter a wheeling contract allowing transportation of Queen Creek’s entitlement through the CAP, and change to the points of diversion, places of use, and types of use of GSC Farm’s and Queen Creek’s entitlements. Reclamation’s approval included the following four contract actions: (1) Partial Assignment and Transfer of Colorado River Water Under Contract with GSC Farm, LLC, to The Town of Queen Creek, Contract No. 13–XX–30–W0571, dated April 28, 2023, between GSC Farm and Queen Creek, and approved by Reclamation; (2) Contract with the Town of Queen Creek for Delivery of Colorado River Water, Contract No. 20–XX–30–W0689, dated April 28, 2023, between the United States and Queen Creek; (3) Amendment No. 2 to Contract No. 13–XX–30–W0571, dated April 28, 2023, between the United States and GSC Farm; and (4) Reclamation Wheeling Contract to Transport Non-Project Water, Central Arizona Project, between the United States and Queen Creek, Contract No. 20–XX–W0691, dated April 28, 2023.

In accordance with the National Environmental Protection Agency (NEPA) of 1969 (Pub. L. 91–190; 42 United States Code 4321 *et seq.*), Reclamation published a final Environmental Assessment (EA) and Finding of No Significant Impact (FONSI) in July 2022. The water transfer contracts were executed. Following a legal challenge to the EA and FONSI, the United States District Court for the District of Arizona ordered Reclamation to prepare an EIS consistent with the Court’s decision. The FONSI and water transfer contracts remain in place pending the conclusion of the EIS.

Purpose and Need for the Proposed Action

Reclamation’s purpose and need for action is to further evaluate the Project, in compliance with the Court Orders in *Mohave County, et al. v. United States Bureau of Reclamation, et al.*, Case No. 3:22–CV–08246–MTL (D. Ariz.), dated February 21, 2024, and August 13, 2024 to prepare an EIS.

Preliminary Proposed Alternatives

Under the Proposed Action, Reclamation would continue the four

contracts with GSC Farm and Queen Creek, listed above. These contracts approve the partial assignment and transfer of 2,033.01 AFY from GSC Farm to Queen Creek, reduce GSC Farm’s remaining entitlement under Contract No. 13–XX–30–W0571 to 50 AFY (69.93 AFY on a diversion basis), allow wheeling of Queen Creek’s entitlement through the CAP, and change the points of diversion, places of use, and types of use of GSC Farm’s and Queen Creek’s entitlements.

As required by NEPA, the EIS will consider the Proposed Action and technically and economically feasible alternatives, including a No Action Alternative. Alternatives considered and dismissed would include those that are not feasible technically or economically or those that do not meet the purpose and need of the proposal.

Summary of Expected Impacts

A broad range of issues were identified during public scoping for the EA and four issues were carried forward for analysis in the EA. The EIS will evaluate issues identified in the EA and any new issues identified during scoping for this EIS.

Resources that will be evaluated include: biology (including threatened and endangered species and special status species), socioeconomic, and prime farmlands. The effects analysis in the EIS and the range of issues addressed may be expanded or reduced based on comments received in response to this notice and at the virtual public scoping meeting.

Statutory Authority and Anticipated Permits

No additional permits or authorizations were identified for the Proposed Action.

Cooperating Agency Status

Reclamation is the lead Federal agency in the preparation of this EIS. No cooperating agencies have been identified. If, based on the Proposed Action, your agency believes it has special expertise or jurisdiction by law, as defined by NEPA, please respond within 45 days of the date of publication of this notice to the person listed in the **FOR FURTHER INFORMATION CONTACT** section of this notice.

Public Disclosure

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 personal identifying information from public review, we cannot guarantee that we will be able to do so.

Schedule for Decision Making Process

A Final EIS is expected to be published in two years or less.

How To Request Reasonable Accommodation

For special assistance during the web-based virtual scoping meeting, please contact Mr. Dominic Graziani or the TDD line (see **FOR FURTHER INFORMATION CONTACT** section of this notice) at least 5-working days before the meeting. Information regarding this project is available in alternate formats upon request.

Genevieve Johnson,

Acting Regional Director, Lower Colorado Basin, Bureau of Reclamation.

[FR Doc. 2025-17743 Filed 9-12-25; 8:45 am]

BILLING CODE 4332-90-P

DEPARTMENT OF LABOR

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Operations Mining Under a Body of Water

ACTION: Notice of availability; request for comments.

SUMMARY: The Department of Labor (DOL) is submitting this Mine Safety and Health Administration (MSHA)-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 October 15, 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: Title 30 CFR 75.1716, 75.1716-1 and 75.1716-3

require operators of underground coal mines to provide MSHA notification before mining under bodies of water and to obtain a permit to mine under a body of water if, in the judgment of the Secretary, it is sufficiently large to constitute a hazard to miners. The regulation is necessary to prevent the inundation of underground coal mines with water that cause hazards to miners, including the potential for drowning. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on July 3, 2025 (90 FR 29585).

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.

Agency: DOL-MSHA.

Title of Collection: Operations Mining Under a Body of Water.

OMB Control Number: 1219-0020.

Affected Public: Private Sector.

Number of Respondents: 99.

Number of Responses: 50.

Annual Burden Hours: 275 hours.

Total Estimated Annual Other Costs Burden: \$300.

(Authority: 44 U.S.C. 3507(a)(1)(D))

Michael Howell,

Senior Paperwork Reduction Act Analyst.

[FR Doc. 2025-17704 Filed 9-12-25; 8:45 am]

BILLING CODE 4510-43-P

DEPARTMENT OF LABOR

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Work Application/Job Order Recordkeeping

ACTION: Notice of availability; request for comments.

SUMMARY: The Department of Labor (DOL) is submitting this Employment and Training Administration (ETA)-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 October 15, 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: Work applications (commonly referred to as “registrations”) are used in American Job Centers for individuals seeking assistance in finding employment or employability development services. They are used to collect information such as: applicants identification, qualifications, work experience, and desired pay. They also include services provided to applicants, such as job development, and referral to supportive service. They are used to collect information such as applicants' identification, qualifications, work experience, and desired pay. They also include services provided to applicants, such as job development and/or referral to supportive services.

Job orders are used in One-Stop Career Centers to obtain information on employer job vacancies. Information in the job orders include employer identification, job requirements, pay information as well as identification of persons referred, hired, or refused. The information is collected at the employer's request in order to publicize job vacancies. The information is collected by One-Stop Career Centers and posted on electronic job banks.

The exact information to be collected on work applications and job orders (and the way it is maintained) is determined by each state. At a minimum, the information to be collected is that which enables states to comply with regulations under 20 CFR 652 and the Wagner-Peyser Act, as amended. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on January 15, 2025 (90 FR 3690).

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-ETA.

Title of Collection: Work Application/Job Order Recordkeeping.

OMB Control Number: 1205-0001.

Affected Public: State, Local and Tribal Government.

Total Estimated Number of Respondents: 52.

Total Estimated Number of Responses: 52.

Total Estimated Annual Time Burden: 416 hours.

Total Estimated Annual Other Costs Burden: \$0.

(Authority: 44 U.S.C. 3507(a)(1)(D))

Michael Howell,

Senior Paperwork Reduction Act Analyst.

[FR Doc. 2025-17702 Filed 9-12-25; 8:45 am]

BILLING CODE 4510-FN-P

DEPARTMENT OF LABOR

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Application for a Permit To Fire More Than 20 Boreholes and for the Use of Nonpermissible Blasting Units, Explosives, and Shot-Firing Units; Posting Notices of Misfires

ACTION: Notice of availability; request for comments.

SUMMARY: The Department of Labor (DOL) is submitting this Mine Safety and Health Administration (MSHA)-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 October 15, 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: Coal mine operators may apply for and be granted a permit to use nonpermissible explosives and nonpermissible shot-firing units. Applications contain the safeguards the mine operator is going to employ to protect the miners while using nonpermissible blasting items. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on July 3, 2025 (90 FR 29575).

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.

Agency: DOL-MSHA.

Title of Collection: Application for a Permit to Fire More than 20 Boreholes and for the Use of Nonpermissible Blasting Units, Explosives, and Shot-firing Units; Posting Notices of Misfires.

OMB Control Number: 1219-0025.

Affected Public: Private Sector.

Number of Respondents: 33.

Number of Responses: 34.

Annual Burden Hours: 33 hours.

Total Estimated Annual Other Costs Burden: \$170.

(Authority: 44 U.S.C. 3507(a)(1)(D).)

Michael Howell,

Senior Paperwork Reduction Act Analyst.

[FR Doc. 2025-17711 Filed 9-12-25; 8:45 am]

BILLING CODE 4510-43-P

DEPARTMENT OF LABOR

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Certificate of Electrical Training and Applications for MSHA Approved Tests and State Tests Administered as Part of an MSHA-Approved State Program

ACTION: Notice of availability; request for comments.

SUMMARY: The Department of Labor (DOL) is submitting this Mine Safety and Health Administration (MSHA)-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 October 15, 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: MSHA’s Form 5000–1, “Certificate of Electrical Training,” is required to be used by instructors for reporting to MSHA the qualification of those persons who have satisfactorily completed a coal mine electrical training program course. The Agency is also requesting approval for applications for MSHA approved tests and for State tests that are administered as part of an MSHA-approved State program. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on July 3, 2025 (90 FR 29584).

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.

Agency: DOL–MSHA.

Title of Collection: Certificate of Electrical Training and Applications for MSHA Approved Tests and State Tests Administered as Part of an MSHA-approved State Program.

OMB Control Number: 1219–0001.

Affected Public: Private Sector.

Number of Respondents: 248.
Number of Responses: 1,512.
Annual Burden Hours: 695 hours.
Total Estimated Annual Other Costs Burden: \$331.

(Authority: 44 U.S.C. 3507(a)(1)(D))

Michael Howell,

Senior Paperwork Reduction Act Analyst.

[FR Doc. 2025–17703 Filed 9–12–25; 8:45 am]

BILLING CODE 4510–43–P

DEPARTMENT OF LABOR

Mine Safety and Health Administration

Petition for Modification of Application of Existing Mandatory Safety Standards

AGENCY: Mine Safety and Health Administration, Labor.

ACTION: Notice.

SUMMARY: This notice is a summary of a petition for modification submitted to the Mine Safety and Health Administration (MSHA) by Century Mining, LLC.

DATES: All comments on the petition must be received by MSHA’s Office of Standards, Regulations, and Variances on or before October 15, 2025.

ADDRESSES: You may submit comments identified by Docket No. MSHA–2025–0324 by any of the following methods:

1. *Federal eRulemaking Portal:* <https://www.regulations.gov>. Follow the instructions for submitting comments for MSHA–2025–0324.
2. *Fax:* 202–693–9441.
3. *Email:* petitioncomments@dol.gov.
4. *Regular Mail or Hand Delivery:*

MSHA, Office of Standards, Regulations, and Variances, Room C3522, 200 Constitution Ave. NW, Washington, DC 20210.

Attention: Jessica D. Senk, Acting Director, Office of Standards, Regulations, and Variances. Individuals may inspect copies of the petition and comments during normal business hours at the address listed above. Before visiting MSHA in person, call 202–693–9440 to make an appointment.

FOR FURTHER INFORMATION CONTACT: Jessica D. Senk, Office of Standards, Regulations, and Variances at 202–693–9440 (voice), Petitionsformodification@dol.gov (email), or 202–693–9441 (fax). These are not toll-free numbers.

SUPPLEMENTARY INFORMATION: Section 101(c) of the Federal Mine Safety and Health Act of 1977 and Title 30 of the Code of Federal Regulations (CFR) part 44 govern the application, processing, and disposition of petitions for modification.

I. Background

Section 101(c) of the Federal Mine Safety and Health Act of 1977 (Mine Act) allows the mine operator or representative of miners to file a petition to modify the application of any mandatory safety standard to a coal or other mine if the Secretary of Labor determines that:

1. An alternative method of achieving the result of such standard exists which will at all times guarantee no less than the same measure of protection afforded the miners of such mine by such standard; or

2. The application of such standard to such mine will result in a diminution of safety to the miners in such mine.

In addition, sections 44.10 and 44.11 of 30 CFR establish the requirements for filing petitions for modification.

II. Petition for Modification

Docket Number: M–2025–055–C.

Petitioner: Century Mining, LLC, 7004 Buckhannon Road, Volga, WV 26238.

Mine: Longview Mine, MSHA ID No. 46–09447, located in Barbour County, West Virginia.

Regulation Affected: 30 CFR 75.507–1(a), Electric equipment other than power-connection points; outby the last open crosscut; return air; permissibility requirements.

Modification Request: The petitioner requests a modification of the existing standard, 30 CFR 75.507–1(a), as it relates to the use of an alternative method of respirable dust protection at the Longview Mine. Specifically, the petitioner is applying to use the battery powered respirable protection unit 3M Versaflo TR–800 in return air outby the last open crosscut as an alternative to the now discontinued 3M Airstream.

The petitioner states that:

(a) The petitioner is seeking an alternative to the 3M Airstream helmet to provide miners with respirable protection against coal mine dust, a protection that can provide long-term health benefits.

(b) The 3M Airstream helmet has been used in mines for over 40 years. 3M has recently faced component disruptions for the Airstream product. This has caused 3M to discontinue, globally, the Airstream on June 1, 2020. The ability to order an Airstream system and components ended in February 2020 and components were available through June 2020.

(c) Currently, there are not any available replacement PAPRs (positive pressure air-purifying respirators) that meet the MSHA standard for permissibility.

(d) PAPRs provide a constant flow of filtered air, which offers respiratory

protection and comfort in hot working environments.

(e) Operators that were using the Airstream do not have an alternative to provide this type of protection to its miners.

(f) 3M Versaflo TR-800:

(1) The TR-800 is a PAPR blower with battery rated at Division I for Classes I, II, and III under the most current UL standard (UL 60079, 6th Edition, 2013); NIOSH-approved PAPR system. The 3M Versaflo Powered Air Purifying Respirator TR-800 Motor/Blower, with the 3M Battery Pack TR-830 attached, has been tested and classified for intrinsic safety in Hazardous Locations (Exia) by Underwriters Laboratory (UL) for the following: Exia Division 1: IS Class I, II, III; Division 1 (Includes Division 2), Groups C, D, E, F, G; T4; Ex ia I Ma; Class I, Zone 0, AEx ia IIB, T4; Class I, Zone 0, Ex ia IIB, T4; Zone 20, AEx ia IIIC, T135; Zone 20, Ex ia IIIC, T135; $-20^{\circ}\text{C} \leq T_a \leq 55^{\circ}\text{C}$.

(g) This unit is not MSHA approved, and the manufacturer is not pursuing approval. The standards for the approval of this respirator are an accepted alternative to MSHA's standards and provide the same level of protection.

The petitioner proposes the following alternative method:

(a) Affected mine employees will be trained in the proper use and maintenance of the PAPR in accordance with the established manufacturer guidelines. In addition to manufacturer guidelines, it will be required that mine employees be trained to inspect the unit before each use to determine if there is any damage or defects to the unit that would negatively impact intrinsic safety. This inspection shall include all associated wiring and connections and shall take place prior to the equipment being taken underground.

(b) If, during the inspection, it is determined that there is damage that may negatively impact the intrinsic safety, the PAPR will be immediately removed from service.

(c) The PAPR user shall conduct daily examinations of the filter and replace as needed.

(d) When fitting a new filter on the PAPR, the manufacturer's instructions will be followed.

(e) PAPR units will not be charged underground.

(f) A qualified person under 30 CFR 75.151 will monitor for methane as is required by the standard in the affected areas of the mine.

(g) All requirements of 30 CFR 75.323 shall be complied with. The PAPR shall not be used if methane is detected in

concentrations at or above 1.0 percent methane. When 1.0 percent or more methane is detected while the PAPR is being used, the equipment shall be de-energized immediately. When 1.5 percent or more methane is detected, the PAPR shall be withdrawn from the affected area outby the last open crosscut.

(h) Employees will be trained on how to properly use and take care of the PAPR according to manufacturer guidelines as well as all stipulations as related to the Proposed Decision and Order (PDO) granted by MSHA. Qualified miners will receive training regarding the information in the PDO granted by MSHA before using equipment in the relevant part of the mine. A record of the training will be kept and available upon request. Within 60 days of the PDO granted by MSHA becoming finalized, the petitioner will submit proposed revisions to 30 CFR 75.370, mine ventilation, to be approved under the 30 CFR part 48 training plan by the Coal Mine Safety and Health District Manager. The revisions will specify initial and refresher training and when the training is conducted, an MSHA Certificate of Training (Form 5000-23) will be completed. Comments will be made on the certificate to note non-permissible testing equipment training.

There are no representatives of miners at Century Mining, LLC, Longview Mine. A copy of this petition has been posted on the bulletin board as of August 28, 2025.

In support of the proposed alternative method, the petitioner has also submitted specification tables for the 3M Versaflo TR-800 PAPR.

The petitioner asserts that the alternative method will guarantee no less than the same measure of protection afforded the miners under the mandatory standard.

Jessica D. Senk,

Acting Director, Office of Standards, Regulations, and Variances.

[FR Doc. 2025-17706 Filed 9-12-25; 8:45 am]

BILLING CODE 4520-43-P

DEPARTMENT OF LABOR

Mine Safety and Health Administration

Petition for Modification of Application of Existing Mandatory Safety Standards

AGENCY: Mine Safety and Health Administration, Labor.

ACTION: Notice.

SUMMARY: This notice is a summary of a petition for modification submitted to the Mine Safety and Health Administration (MSHA) by Century Mining, LLC.

DATES: All comments on the petition must be received by MSHA's Office of Standards, Regulations, and Variances on or before October 15, 2025.

ADDRESSES: You may submit comments identified by Docket No. MSHA-2025-0325 by any of the following methods:

1. *Federal eRulemaking Portal:* <https://www.regulations.gov>. Follow the instructions for submitting comments for MSHA-2025-0325.

2. *Fax:* 202-693-9441.

3. *Email:* petitioncomments@dol.gov.

4. *Regular Mail or Hand Delivery:*

MSHA, Office of Standards, Regulations, and Variances, Room C3522, 200 Constitution Ave. NW, Washington, DC 20210.

Attention: Jessica D. Senk, Acting Director, Office of Standards, Regulations, and Variances. Individuals may inspect copies of the petition and comments during normal business hours at the address listed above. Before visiting MSHA in person, call 202-693-9440 to make an appointment.

FOR FURTHER INFORMATION CONTACT:

Jessica D. Senk, Office of Standards, Regulations, and Variances at 202-693-9440 (voice), Petitionsformodification@dol.gov (email), or 202-693-9441 (fax). These are not toll-free numbers.

SUPPLEMENTARY INFORMATION: Section 101(c) of the Federal Mine Safety and Health Act of 1977 and Title 30 of the Code of Federal Regulations (CFR) part 44 govern the application, processing, and disposition of petitions for modification.

I. Background

Section 101(c) of the Federal Mine Safety and Health Act of 1977 (Mine Act) allows the mine operator or representative of miners to file a petition to modify the application of any mandatory safety standard to a coal or other mine if the Secretary of Labor determines that:

1. An alternative method of achieving the result of such standard exists which will at all times guarantee no less than the same measure of protection afforded the miners of such mine by such standard; or

2. The application of such standard to such mine will result in a diminution of safety to the miners in such mine.

In addition, sections 44.10 and 44.11 of 30 CFR establish the requirements for filing petitions for modification.

II. Petition for Modification

Docket Number: M-2025-056-C.

Petitioner: Century Mining, LLC, 7004 Buckhannon Road, Volga, WV 26238.

Mine: Longview Mine, MSHA ID No. 46-09447, located in Barbour County, West Virginia.

Regulation Affected: 30 CFR 75.1002(a), Installation of electric equipment and conductors; permissibility.

Modification Request: The petitioner requests a modification of the existing standard, 30 CFR 75.1002(a), as it relates to the use of an alternative method of respirable dust protection at the Longview Mine. Specifically, the petitioner is applying to use the battery powered respirable protection unit 3M Versaflo TR-800 within 150 feet of pillar workings or longwall faces as an alternative to the now discontinued 3M Airstream.

The petitioner states that:

(a) The petitioner is seeking an alternative to the 3M Airstream helmet to provide miners with respirable protection against coal mine dust, a protection that can provide long-term health benefits.

(b) The 3M Airstream helmet has been used in mines for over 40 years. 3M has recently faced component disruptions for the Airstream product. This has caused 3M to discontinue, globally, the Airstream on June 1, 2020. The ability to order an Airstream system and components ended in February 2020 and components were available through June 2020.

(c) Currently, there are not any available replacement PAPRs (positive pressure air-purifying respirators) that meet the MSHA standard for permissibility.

(d) PAPRs provide a constant flow of filtered air, which offers respiratory protection and comfort in hot working environments.

(e) Operators that were using the Airstream do not have an alternative to provide this type of protection to its miners.

(f) 3M Versaflo TR-800:

(1) The TR-800 is a PAPR blower with battery rated at Division I for Classes I, II, and III under the most current UL standard (UL 60079, 6th Edition, 2013); NIOSH-approved PAPR system. The 3M Versaflo Powered Air Purifying Respirator TR-800 Motor/Blower, with the 3M Battery Pack TR-830 attached, has been tested and classified for intrinsic safety in Hazardous Locations (Exia) by Underwriters Laboratory (UL) for the following: Exia Division 1: IS Class I, II, III; Division 1(Includes Division 2), Groups C, D, E, F, G; T4; Ex ia I Ma; Class I, Zone 0, AEx ia IIB, T4; Class I, Zone 0, Ex ia IIB, T4; Zone 20, AEx ia

IIIC, T135; Zone 20, Ex ia IIIC, T135; $-20^{\circ}\text{C} \leq \text{Ta} \leq 55^{\circ}\text{C}$.

(g) This unit is not MSHA approved, and the manufacturer is not pursuing approval. The standards for the approval of this respirator are an accepted alternative to MSHA's standards and provide the same level of protection.

The petitioner proposes the following alternative method:

(a) Affected mine employees will be trained in the proper use and maintenance of the PAPR in accordance with the established manufacturer guidelines. In addition to manufacturer guidelines, it will be required that mine employees be trained to inspect the unit before each use to determine if there is any damage or defects to the unit that would negatively impact intrinsic safety. This inspection shall include all associated wiring and connections and shall take place prior to the equipment being taken underground.

(b) If, during the inspection, it is determined that there is damage that may negatively impact the intrinsic safety, the PAPR will be immediately removed from service.

(c) The PAPR user shall conduct daily examinations of the filter and replace as needed.

(d) When fitting a new filter on the PAPR, the manufacturer's instructions will be followed.

(e) PAPR units will not be charged underground.

(f) A qualified person under 30 CFR 75.151 will monitor for methane as is required by the standard in the affected areas of the mine.

(g) All requirements of 30 CFR 75.323 shall be complied with. The PAPR shall not be used if methane is detected in concentrations at or above 1.0 percent methane. When 1.0 percent or more methane is detected while the PAPR is being used, the equipment shall be de-energized immediately. When 1.5 percent or more methane is detected, the PAPR shall be withdrawn from the affected area outby the last open crosscut.

(h) Employees will be trained on how to properly use and take care of the PAPR according to manufacturer guidelines as well as all stipulations as related to the Proposed Decision and Order (PDO) granted by MSHA. Qualified miners will receive training regarding the information in the PDO granted by MSHA before using equipment in the relevant part of the mine. A record of the training will be kept and available upon request. Within 60 days of the PDO granted by MSHA becoming finalized, the petitioner will submit proposed revisions to 30 CFR

75.370, mine ventilation, to be approved under the 30 CFR part 48 training plan by the Coal Mine Safety and Health District Manager. The revisions will specify initial and refresher training and when the training is conducted, an MSHA Certificate of Training (Form 5000-23) will be completed. Comments will be made on the certificate to note non-permissible testing equipment training.

There are no representatives of miners at Century Mining, LLC, Longview Mine. A copy of this petition has been posted on the bulletin board as of August 28, 2025.

In support of the proposed alternative method, the petitioner has also submitted specification tables for the 3M Versaflo TR-800 PAPR.

The petitioner asserts that the alternative method will guarantee no less than the same measure of protection afforded the miners under the mandatory standard.

Jessica D. Senk,

Acting Director, Office of Standards, Regulations, and Variances.

[FR Doc. 2025-17707 Filed 9-12-25; 8:45 am]

BILLING CODE 4520-43-P

DEPARTMENT OF LABOR

Mine Safety and Health Administration

Petition for Modification of Application of Existing Mandatory Safety Standards

AGENCY: Mine Safety and Health Administration, Labor.

ACTION: Notice.

SUMMARY: This notice is a summary of a petition for modification submitted to the Mine Safety and Health Administration (MSHA) by Century Mining, LLC.

DATES: All comments on the petition must be received by MSHA's Office of Standards, Regulations, and Variances on or before October 15, 2025.

ADDRESSES: You may submit comments identified by Docket No. MSHA-2025-0323 by any of the following methods:

1. *Federal eRulemaking Portal:* <https://www.regulations.gov>. Follow the instructions for submitting comments for MSHA-2025-0323.

2. *Fax:* 202-693-9441.

3. *Email:* petitioncomments@dol.gov.

4. *Regular Mail or Hand Delivery:* MSHA, Office of Standards, Regulations, and Variances, Room C3522, 200 Constitution Ave. NW, Washington, DC 20210.

Attention: Jessica D. Senk, Acting Director, Office of Standards,

Regulations, and Variances. Individuals may inspect copies of the petition and comments during normal business hours at the address listed above. Before visiting MSHA in person, call 202-693-9440 to make an appointment.

FOR FURTHER INFORMATION CONTACT:

Jessica D. Senk, Office of Standards, Regulations, and Variances at 202-693-9440 (voice), Petitionsformodification@dol.gov (email), or 202-693-9441 (fax). These are not toll-free numbers.

SUPPLEMENTARY INFORMATION: Section 101(c) of the Federal Mine Safety and Health Act of 1977 and Title 30 of the Code of Federal Regulations (CFR) part 44 govern the application, processing, and disposition of petitions for modification.

I. Background

Section 101(c) of the Federal Mine Safety and Health Act of 1977 (Mine Act) allows the mine operator or representative of miners to file a petition to modify the application of any mandatory safety standard to a coal or other mine if the Secretary of Labor determines that:

1. An alternative method of achieving the result of such standard exists which will at all times guarantee no less than the same measure of protection afforded the miners of such mine by such standard; or

2. The application of such standard to such mine will result in a diminution of safety to the miners in such mine.

In addition, sections 44.10 and 44.11 of 30 CFR establish the requirements for filing petitions for modification.

II. Petition for Modification

Docket Number: M-2025-054-C.

Petitioner: Century Mining, LLC, 7004 Buckhannon Road, Volga, WV 26238.

Mine: Longview Mine, MSHA ID No. 46-09447, located in Barbour County, West Virginia.

Regulation Affected: 30 CFR 75.500(d), Permissible electric equipment.

Modification Request: The petitioner requests a modification of the existing standard, 30 CFR 75.500(d), as it relates to the use of an alternative method of respirable dust protection at the Longview Mine. Specifically, the petitioner is applying to use the battery powered respirable protection unit 3M Versaflo TR-800 in or inby the last open crosscut as an alternative to the now discontinued 3M Airstream.

The petitioner states that:

(a) The petitioner is seeking an alternative to the 3M Airstream helmet to provide miners with respirable protection against coal mine dust, a

protection that can provide long-term health benefits.

(b) The 3M Airstream helmet has been used in mines for over 40 years. 3M has recently faced component disruptions for the Airstream product. This has caused 3M to discontinue, globally, the Airstream on June 1, 2020. The ability to order an Airstream system and components ended in February 2020 and components were available through June 2020.

(c) Currently, there are not any available replacement PAPRs (positive pressure air-purifying respirators) that meet the MSHA standard for permissibility.

(d) PAPRs provide a constant flow of filtered air, which offers respiratory protection and comfort in hot working environments.

(e) Operators that were using the Airstream do not have an alternative to provide this type of protection to its miners.

(f) 3M Versaflo TR-800:

(1) The TR-800 is a PAPR blower with battery rated at Division I for Classes I, II, and III under the most current UL standard (UL 60079, 6th Edition, 2013); NIOSH-approved PAPR system. The 3M Versaflo Powered Air Purifying Respirator TR-800 Motor/Blower, with the 3M Battery Pack TR-830 attached, has been tested and classified for intrinsic safety in Hazardous Locations (Exia) by Underwriters Laboratory (UL) for the following: Exia Division 1: IS Class I, II, III; Division 1 (Includes Division 2), Groups C, D, E, F, G; T4; Ex ia I Ma; Class I, Zone 0, AEx ia IIB, T4; Class I, Zone 0, Ex ia IIB, T4; Zone 20, AEx ia IIIC, T135; Zone 20, Ex ia IIIC, T135; $-20^{\circ}\text{C} \leq \text{Ta} \leq 55^{\circ}\text{C}$.

(g) This unit is not MSHA approved, and the manufacturer is not pursuing approval. The standards for the approval of this respirator are an accepted alternative to MSHA's standards and provide the same level of protection.

The petitioner proposes the following alternative method:

(a) Affected mine employees will be trained in the proper use and maintenance of the PAPR in accordance with the established manufacturer guidelines. In addition to manufacturer guidelines, it will be required that mine employees be trained to inspect the unit before each use to determine if there is any damage or defects to the unit that would negatively impact intrinsic safety. This inspection shall include all associated wiring and connections and shall take place prior to the equipment being taken underground.

(b) If, during the inspection, it is determined that there is damage that may negatively impact the intrinsic safety, the PAPR will be immediately removed from service.

(c) The PAPR user shall conduct daily examinations of the filter and replace as needed.

(d) When fitting a new filter on the PAPR, the manufacturer's instructions will be followed.

(e) PAPR units will not be charged underground.

(f) A qualified person under 30 CFR 75.151 will monitor for methane as is required by the standard in the affected areas of the mine.

(g) All requirements of 30 CFR 75.323 shall be complied with. The PAPR shall not be used if methane is detected in concentrations at or above 1.0 percent methane. When 1.0 percent or more methane is detected while the PAPR is being used, the equipment shall be de-energized immediately. When 1.5 percent or more methane is detected, the PAPR shall be withdrawn from the affected area outby the last open crosscut.

(h) Employees will be trained on how to properly use and take care of the PAPR according to manufacturer guidelines as well as all stipulations as related to the Proposed Decision and Order (PDO) granted by MSHA. Qualified miners will receive training regarding the information in the PDO granted by MSHA before using equipment in the relevant part of the mine. A record of the training will be kept and available upon request. Within 60 days of the PDO granted by MSHA becoming finalized, the petitioner will submit proposed revisions to 30 CFR 75.370, mine ventilation, to be approved under the 30 CFR part 48 training plan by the Coal Mine Safety and Health District Manager. The revisions will specify initial and refresher training and when the training is conducted, an MSHA Certificate of Training (Form 5000-23) will be completed. Comments will be made on the certificate to note non-permissible testing equipment training.

There are no representatives of miners at Century Mining, LLC, Longview Mine. A copy of this petition has been posted on the bulletin board as of August 28, 2025.

In support of the proposed alternative method, the petitioner has also submitted specification tables for the 3M Versaflo TR-800 PAPR.

The petitioner asserts that the alternative method will guarantee no less than the same measure of protection

afforded the miners under the mandatory standard.

Jessica D. Senk,

Acting Director, Office of Standards, Regulations, and Variances.

[FR Doc. 2025-17705 Filed 9-12-25; 8:45 am]

BILLING CODE 4520-43-P

OFFICE OF MANAGEMENT AND BUDGET

Cumulative Report of Rescissions Proposals Pursuant to the Congressional Budget and Impoundment Control Act of 1974

AGENCY: Executive Office of the President, Office of Management and Budget.

ACTION: Notice of monthly cumulative report pursuant to the Congressional Budget and Impoundment Control Act of 1974.

SUMMARY: Pursuant to the Congressional Budget and Impoundment Control Act of 1974, OMB is issuing a monthly cumulative report (for September 2025) from the Director detailing the status of rescission proposals that were previously transmitted to the Congress on June 3, 2025 and August 28, 2025.

DATES: Release Date: September 10, 2025.

ADDRESSES: The September 2025 cumulative report is available on-line on the OMB website at: <https://www.whitehouse.gov/omb/information-resources/legislative/supplementals-amendments-and-releases/>.

FOR FURTHER INFORMATION CONTACT:

Jason Hoffman, 252 Eisenhower Executive Office Building, Washington, DC 20503, Email address:

Jason.M.Hoffman@omb.eop.gov, telephone number: (202) 456-1414. Because of delays in the receipt of regular mail related to security screening, respondents are encouraged to use electronic communications.

Russell T. Vought,

Director.

[FR Doc. 2025-17744 Filed 9-12-25; 8:45 am]

BILLING CODE 3110-01-P

NUCLEAR REGULATORY COMMISSION

729th Meeting of the Advisory Committee on Reactor Safeguards (ACRS)

In accordance with the purposes of Sections 29 and 182b of the Atomic Energy Act (42 U.S.C. 2039, 2232(b)),

the Advisory Committee on Reactor Safeguards (ACRS) will hold meetings on October 10, 2025. In addition, the ACRS is implementing Section 4.(b) of Executive Order (E.O.) 14300, "Ordering the Reform of the Nuclear Regulatory Commission," dated May 23, 2025, which states, in part, that the functions of the ACRS shall be reduced to the minimum necessary to fulfill ACRS's statutory obligations and that review by ACRS of permitting and licensing issues shall focus on issues that are truly novel and noteworthy. The ACRS will only undertake other work as directed by the Commission in accordance with Sections 29 and 182b of the Atomic Energy Act.

The Committee will be conducting meetings that will include some Members being physically present at the headquarters of the U.S. Nuclear Regulatory Commission (NRC) while other Members participate remotely. Interested members of the public are encouraged to participate remotely in any open sessions via Microsoft Teams or via phone at 301-576-2978, passcode 596544454#. A more detailed agenda, including the Microsoft Teams link, may be found at the ACRS public website at <https://www.nrc.gov/reading-rm/doc-collections/acrs/agenda/index.html>. If you would like the Microsoft Teams link forwarded to you, please contact the Designated Federal Officer (DFO) as follows: Quynh.Nguyen@nrc.gov, or Lawrence.Burkhart@nrc.gov.

Friday, October 10, 2025

8:30 a.m.–8:35 a.m.: *Opening Remarks by the ACRS Chairman (Open)*—The ACRS Chairman will make opening remarks regarding the conduct of the meeting.

8:35 a.m.–5:30 p.m.: *Palisades Nuclear Plant Restart Activities—Steam Generator Operational Assessment Discussion/Planning and Procedures Session/Future ACRS Activities/Preparation of Reports (Open/Closed)*—The Committee will have discussions with the NRC staff regarding the subject topics and hear discussion of the recommendations of the Planning and Procedures Subcommittee regarding items proposed for consideration by the Full Committee during future ACRS meetings, and/or proceed to preparation of reports. [Note: Pursuant to 5 U.S.C. 552b(c)(2), a portion of this meeting may be closed to discuss organizational and personnel matters that relate solely to internal personnel rules and practices of the ACRS.]

[Note: Pursuant to 5 U.S.C. 552b(c)(4), a portion of this session may be closed

in order to discuss and protect information designated as proprietary.]

Procedures for the conduct of and participation in ACRS meetings were published in the **Federal Register** on July 22, 2025 (90 FR 34522). In accordance with those procedures, oral or written views may be presented by members of the public, including representatives of the nuclear industry. Persons desiring to make oral statements should notify Quynh Nguyen, Cognizant ACRS Staff and the DFO (Telephone: 301-415-5844, Email: Quynh.Nguyen@nrc.gov), 5 days before the meeting, if possible, so that appropriate arrangements can be made to allow necessary time during the meeting for such statements. In view of the possibility that the schedule for ACRS meetings may be adjusted by the Chairman as necessary to facilitate the conduct of the meeting, persons planning to attend should check with the cognizant ACRS staff if such rescheduling would result in major inconvenience.

An electronic copy of each presentation should be emailed to the cognizant ACRS staff at least three days before the meeting.

In accordance with Subsection 10(d) of Public Law 92-463 and 5 U.S.C. 552b(c), certain portions of this meeting may be closed, as specifically noted above. Use of still, motion picture, and television cameras during the meeting may be limited to selected portions of the meeting as determined by the Chairman. Electronic recordings will be permitted only during the open portions of the meeting.

ACRS meeting agendas, meeting transcripts, and letter reports are available through the NRC Public Document Room (PDR) at pdr.resource@nrc.gov, the ACRS public website, or by calling the PDR at 1-800-397-4209 or 301-415-4737, between 8 a.m. and 4 p.m. eastern daylight time, Monday through Friday, except Federal holidays, or from the Publicly Available Records System component of NRC's Agencywide Documents Access and Management System, which is accessible from the NRC website at <https://www.nrc.gov/reading-rm/adams.html> or <https://www.nrc.gov/reading-rm/doc-collections/#ACRS/>

Dated: September 11, 2025.

For the Nuclear Regulatory Commission.

Russell E. Chazell,

Federal Advisory Committee Management Officer, Office of the Secretary.

[FR Doc. 2025-17768 Filed 9-12-25; 8:45 am]

BILLING CODE 7590-01-P

POSTAL REGULATORY COMMISSION

[Docket Nos. MC2025–1680 and K2025–1670; Order No. 9174]

Competitive Postal Products

AGENCY: Postal Regulatory Commission.
ACTION: Notice.

SUMMARY: The Commission is recognizing a recent Postal Service filing requesting to add a new Fulfillment Non-Published Rates labeled Global Direct Entry—Non-Published Rates (GDENPR–1) to the Competitive Product List. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* September 17, 2025.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at <http://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:**Table of Contents**

- I. Introduction
- II. Postal Service Requests
- III. Notice and Comment
- IV. Ordering Paragraphs

I. Introduction

On September 9, 2025, the Postal Service filed a request to add a new Fulfillment Non-Published Rates (GDENPR–1) to the Competitive product list pursuant to 39 U.S.C. 3642 and 3633, and 39 CFR 3035.105(a), 3041.205, and 3041.320.¹

II. Postal Service Requests

Background. The Commission adopted rules for streamlined option rulemakings in Docket No. RM2023–5 to “address elements of 39 U.S.C. 3642 review and 39 U.S.C. 3633 pre-implementation review that are broadly applicable to qualifying [negotiated service agreements (NSAs)], and not particular to individual qualifying NSAs.”² Specifically, such proceedings are used to establish eligibility criteria

specifying the ways in which qualifying NSAs will be permitted to vary from existing offerings, to review a proposed financial model for qualifying NSAs that accounts for the financial impact of any such variations, and to establish minimum rates for qualifying NSAs. Order No. 7353 at 4.

Non-Published Rates. Requests to add conforming NPR NSA products to the Competitive product list are reviewed in public proceedings, and, if approved, one or more included contracts using the same contract template may be subsequently added to the product without requiring further approval from the Commission. See 39 CFR 3041.320.

The Postal Service describes the Request as one to establish a new set of contracts under the Fulfillment Non-Published Rates product within the *Mail Classification Schedule* (MCS), to be labeled Global Direct Entry—Non-Published Rates (GDENPR) and approve the associated GDENPR–1 contract template. Request at 1. The Postal Service states the proposed GDENPR group consists of fulfillment contracts with Global Direct Entry customers and will be based on the existing Fulfillment Standardized Distinct Product and Non-Published Rates (FFNPR) financial model and minimum rates, previously approved by the Commission in Order No. 8787 in Docket No. RM2025–7.³ The Postal Service states that the Request includes a contract template that “shares common components with numerous GDE contracts filed as custom agreements in recent years, and also has similarities to the FFNPR and [Business Partner Non-Published Rates] BPNPR contract templates.” Request at 3. The Postal Service also states that the template includes common operative components, specifically, the terms that address the applicability of future surcharges, time-limited price changes, appeals, confidentiality, duration (1–3 years), mutual termination for convenience upon a negotiable notice period, and lack of provided packaging. *Id.*

The Postal Service states that the GDENPR–1 template also contains optional provisions for customers to utilize one of three pricing mechanisms: (1) tiered annual pricing; (2) tiered previous quarter pricing; and (3) tiered

rolling quarter pricing. *Id.* at 3–4. The Postal Service asserts that:

The selection of one of these optional provisions will not be inconsistent with the standards of 39 U.S.C. 3633, as the pricing mechanisms will not have any effect on the underlying financials of any given GDENPR contract, and all included contracts will remain consistent with the financial model submitted in Docket No. RM2025–7.

Id. at 4. The Postal Service further asserts that “none of the pricing mechanisms will introduce any new cost element, establish a new service offering, or impose any specific new requirements on the customer.” *Id.*

III. Notice and Comment

The Commission establishes Docket Nos. MC2025–1680 and K2025–1670 for consideration of matters raised by the Request. Interested persons may submit comments. Comments are due no later than September 17, 2025. More information on the proceedings may be accessed via the Commission's website at <https://www.prc.gov>.

Pursuant to 39 U.S.C. 505, Christopher Mohr is designated as an officer of the Commission (Public Representative) to represent the interests of the general public in these proceedings. 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.

IV. Ordering Paragraphs*It is ordered:*

1. The Commission establishes Docket Nos. MC2025–1680 and K2025–1670 for consideration of the matters raised by the USPS Request to Establish New Fulfillment Non-Published Rates (GDENPR–1) and Notice of Filing Materials Under Seal, filed September 9, 2025.

2. Comments by interested persons are due no later than September 17, 2025.

3. Pursuant to 39 U.S.C. 505, the Commission appoints Christopher Mohr to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in these dockets.

4. The Secretary shall arrange for publication of this Order in the **Federal Register**.

By the Commission.

Erica A. Barker,
Secretary.

[FR Doc. 2025–17738 Filed 9–12–25; 8:45 am]

BILLING CODE 7710-FW-P

¹ Docket Nos. MC2025–1680 and K2025–1670, USPS Request to Establish New Fulfillment Non-Published Rates Product (GDENPR–1) and Notice of Filing Materials Under Seal, September 9, 2025 (Request); see Request at 1 n.1.

² Docket No. RM2023–5, Final Order Amending Rules Regarding Competitive Negotiated Service Agreements, August 9, 2024, at 4 (Order No. 7353).

³ *Id.*; see Docket No. RM2025–7, *et al.*, Order Authorizing Streamlined Review for Eligible Fulfillment Standardized Distinct Products and Non-Published Rates Products and Adding Non-Published Rates Products to the Competitive Product List, April 11, 2025 (Order No. 8787); see also Docket No. RM2025–7, *et al.*, Order Denying Motion for Reconsideration, June 16, 2025 (Order No. 8910).

POSTAL REGULATORY COMMISSION

[Docket Nos. RM2024–9 and PI2025–6;
Order No. 9175]

RIN 3211–AA39

**Service Performance Measurement
Systems for Market Dominant
Products**

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is acknowledging that the Postal Service's planned revisions to its Service Performance Measurement (SPM) Plan for Market Dominant products. Docket No. PI2025–6 will be considered as part of Docket No. RM2024–9. This document invites public comments and takes other administrative steps.

DATES: *Comments are due:* September 23, 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: This Order filed, in Docket No. RM2024–9 and Docket No. PI2025–6, states that certain planned revisions to the Postal Service's Service Performance Measurement (SPM) Plan, which were filed by the Postal Service pursuant to 39 CFR 3055.5 in Docket No. PI2025–6, will be considered by the Commission in pending Docket No. RM2024–9.

Comments on the proposed revisions should be filed in Docket No. RM2024–9 by September 23, 2025. The Commission has specific authority to revise its rules “whenever it shall appear that . . . (B) the quality of service data has become significantly inaccurate or can be significantly improved; or (C) such revisions are, in the judgment of the Commission, otherwise necessitated by the public interest.” 39 U.S.C. 3652(e)(2). The Commission is particularly interested in commenters' views on whether the planned revisions materially impact the accuracy, reliability, or utility of the reported measurement and whether any changes should be made to the Commission's rules (including 39 CFR 3055.2(n) and 3055.31(h)).

By the Commission.

Erica A. Barker,

Secretary.

[FR Doc. 2025–17749 Filed 9–12–25; 8:45 am]

BILLING CODE 7710–FW–P

**SECURITIES AND EXCHANGE
COMMISSION**

[Release No. 34–103930; File No. SR–
CboeBZX–2025–039]

**Self-Regulatory Organizations; Cboe
BZX Exchange, Inc.; Notice of
Designation of a Longer Period for
Commission Action on Proceedings To
Determine Whether To Approve or
Disapprove a Proposed Rule Change
To List and Trade Shares of Franklin
Solana ETF Under BZX Rule 14.11(e)(4)
(Commodity-Based Trust Shares)**

September 10, 2025.

On March 12, 2025, Cboe BZX Exchange, Inc. (“BZX”) 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 list and trade shares of the Franklin Solana ETF, a series of the Franklin Solana Trust, under BZX Rule 14.11(e)(4). The proposed rule change was published for comment in the **Federal Register** on March 19, 2025. ³

On April 29, 2025, pursuant to Section 19(b)(2) of the Act, ⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change. ⁵ On June 17, 2025, the Commission initiated proceedings under Section 19(b)(2)(B) of the Act ⁶ to determine whether to approve or disapprove the proposed rule change. ⁷

Section 19(b)(2) of the Act ⁸ provides that, after initiating proceedings, the Commission shall issue an order

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 102651 (Mar. 13, 2025), 90 FR 12824. Comments received on the proposed rule change are available at: <https://www.sec.gov/comments/sr-cboebzx-2025-039/sr-cboebzx2025039.htm>.

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 102945, 90 FR 19038 (May 5, 2025). The Commission designated June 17, 2025, as the date by which the Commission shall approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

⁶ 15 U.S.C. 78s(b)(2)(B).

⁷ See Securities Exchange Act Release No. 103279, 90 FR 26633 (June 23, 2025).

⁸ 15 U.S.C. 78s(b)(2).

approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for comment in the **Federal Register** on March 19, 2025. ⁹ The 180th day after publication of the proposed rule change is September 15, 2025. The Commission is extending the time period for approving or disapproving the proposed rule change for an additional 60 days.

The Commission finds that it is appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, and the issues raised therein. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act, ¹⁰ designates November 14, 2025, as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR–CboeBZX–2025–039).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority. ¹¹

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–17722 Filed 9–12–25; 8:45 am]

BILLING CODE 8011–01–P

**SECURITIES AND EXCHANGE
COMMISSION**

[Release No. 34–103927; File No. SR–
CboeBZX–2025–038]

**Self-Regulatory Organizations; Cboe
BZX Exchange, Inc.; Notice of
Designation of a Longer Period for
Commission Action on Proceedings To
Determine Whether To Approve or
Disapprove a Proposed Rule Change
To Amend the Rules Governing the
Listing and Trading of Shares of the
Fidelity Ethereum Fund To Permit
Staking Under Rule 14.11(e)(4)
(Commodity-Based Trust Shares)**

September 10, 2025.

On March 11, 2025, Cboe BZX Exchange, Inc. (“BZX”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section

⁹ See *supra* note 3 and accompanying text.

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ 17 CFR 200.30–3(a)(57).

19(b)(1) of the Securities Exchange Act of 1934 (“Act”) ¹ and Rule 19b–4 thereunder,² a proposed rule change to amend the rules governing the listing and trading of shares of the Fidelity Ethereum Fund under BZX Rule 14.11(e)(4). The proposed rule change was published for comment in the **Federal Register** on March 18, 2025.³

On April 29, 2025, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁵ On June 16, 2025, the Commission initiated proceedings under Section 19(b)(2)(B) of the Act ⁶ to determine whether to approve or disapprove the proposed rule change.⁷

Section 19(b)(2) of the Act⁸ provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for comment in the **Federal Register** on March 18, 2025.⁹ The 180th day after publication of the proposed rule change is September 14, 2025. The Commission is extending the time period for approving or disapproving the proposed rule change for an additional 60 days.

The Commission finds that it is appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change,

and the issues raised therein.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,¹⁰ designates November 13, 2025, as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR–CboeBZX–2025–038).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025–17718 Filed 9–12–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103928; File No. SR–CboeBZX–2025–037]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Designation of a Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To Amend the Rules Governing the Listing and Trading of Shares of the Franklin Crypto Index ETF To Permit Staking of the Ether Held by the Trust Under Rule 14.11(e)(4) (Commodity-Based Trust Shares)

September 10, 2025.

On March 10, 2025, Cboe BZX Exchange, Inc. (“BZX”) 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 amend the rules governing the listing and trading of shares of the Franklin Crypto Index ETF under BZX Rule 14.11(e)(4). The proposed rule change was published for comment in the **Federal Register** on March 18, 2025.³

On April 29, 2025, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the

proposed rule change.⁵ On June 16, 2025, the Commission initiated proceedings under Section 19(b)(2)(B) of the Act ⁶ to determine whether to approve or disapprove the proposed rule change.⁷

Section 19(b)(2) of the Act⁸ provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for comment in the **Federal Register** on March 18, 2025.⁹ The 180th day after publication of the proposed rule change is September 14, 2025. The Commission is extending the time period for approving or disapproving the proposed rule change for an additional 60 days.

The Commission finds that it is appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, and the issues raised therein. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,¹⁰ designates November 13, 2025, as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR–CboeBZX–2025–037).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025–17720 Filed 9–12–25; 8:45 am]

BILLING CODE 8011–01–P

⁵ See Securities Exchange Act Release No. 102947, 90 FR 19013 (May 5, 2025). The Commission designated June 16, 2025, as the date by which the Commission shall approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

⁶ 15 U.S.C. 78s(b)(2)(B).

⁷ See Securities Exchange Act Release No. 103257, 90 FR 26358 (June 20, 2025).

⁸ 15 U.S.C. 78s(b)(2).

⁹ See *supra* note 3 and accompanying text.

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ 17 CFR 200.30–3(a)(57).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 102643 (Mar. 12, 2025), 90 FR 12626. The Commission has received no comment letters on the proposed rule change.

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 102946, 90 FR 19012 (May 5, 2025). The Commission designated June 16, 2025, as the date by which the Commission shall approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

⁶ 15 U.S.C. 78s(b)(2)(B).

⁷ See Securities Exchange Act Release No. 103256, 90 FR 26363 (June 20, 2025).

⁸ 15 U.S.C. 78s(b)(2).

⁹ See *supra* note 3 and accompanying text.

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ 17 CFR 200.30–3(a)(57).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 102639 (Mar. 12, 2025), 90 FR 12621. The Commission has received no comment letters on the proposed rule change.

⁴ 15 U.S.C. 78s(b)(2).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103941; File No. SR–FICC–2025–017]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Order Approving of Proposed Rule Change To Revise the Definition of the Backtesting Charge

September 10, 2025.

I. Introduction

On July 23, 2025, Fixed Income Clearing Corporation (“FICC”) 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 proposed rule change SR–FICC–2025–017 (“Proposed Rule Change”) to make changes to FICC’s Government Securities Division (“GSD”) Rule Book to revise the definition of the Backtesting Charge. The Proposed Rule Change was published for comment in the **Federal Register** on August 5, 2025.³ The Commission has received no comments on the Proposed Rule Change. For the reasons discussed below, the Commission is approving the Proposed Rule Change.⁴

II. Background

FICC is a central counterparty (“CCP”), which means it interposes itself as the buyer to every seller and seller to every buyer for the financial transactions it clears. FICC’s GSD provides trade comparison, netting, risk management, settlement, and central counterparty services for the U.S. Government securities market.⁵ As such, FICC is exposed to the risk that one or more of its members may fail to make a payment or to deliver securities.

A key tool that FICC uses to manage its credit exposures to its members is determining the appropriate margin to collect from members and monitoring its sufficiency. A member’s Required Fund Deposit (or Segregated Customer Margin, when applicable), which serves as margin, is designed to mitigate potential losses associated with

liquidation of the member’s portfolio in the event of that member’s default. The aggregated amount of all GSD members’ Required Fund Deposits constitutes the Clearing Fund, which FICC would be able to access should a defaulted member’s own margin be insufficient to satisfy losses to FICC caused by the liquidation of that member’s portfolio.⁶ Similarly, FICC would be able to access Segregated Customer Margin in the event of the default of the Segregated Indirect Participant for which that margin is held.⁷

Each member’s Required Fund Deposit or Segregated Customer Margin amount consists of a number of applicable components, each of which is calculated to address specific risks faced by FICC.⁸ FICC employs daily backtesting to determine the adequacy of each member’s margin amount, comparing the Required Fund Deposit or Segregated Customer Margin with the simulated liquidation gains/losses using the actual positions in the member’s portfolio and the actual historical returns.⁹ FICC performs this backtesting both for internal reporting and in connection with the calculation of the Backtesting Charge margin component, which is discussed further below.¹⁰ FICC investigates the cause of any backtesting deficiencies, particularly 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 any identifiable cause of repeat deficiencies or a same underlying reason for multiple members’ backtesting deficiencies.¹¹

The Backtesting Charge is an additional charge that may be added to a Required Fund Deposit or Segregated Customer Margin requirement for start of day and/or intraday margin collection.¹² FICC may assess the Backtesting Charge if the firm has a 12-month trailing backtesting coverage

below the 99 percent backtesting coverage target.¹³ If assessed, the Backtesting Charge is generally equal to the firm’s third largest deficiency that occurred during the previous 12 months, but FICC may adjust it to an amount that FICC determines is more appropriate for maintaining that firm’s backtesting results above the 99 percent coverage threshold.¹⁴ FICC calculates the Backtesting Charge at least monthly and, based on those calculations, may impose a new Backtesting Charge, remove an existing Backtesting Charge, or either increase or decrease an existing Backtesting Charge as necessary to maintain its target backtesting coverage.¹⁵

III. Description of the Proposed Rule Change

FICC is proposing to revise the definition of the Backtesting Charge in the Margin Component Schedule of the GSD Rules to clarify the current calculation of that charge and adopt a change to the calculation.

First, FICC is proposing clarifications to the definition of Backtesting Charge to reflect FICC’s current practice. The Proposed Rule Change would explicitly state that the backtesting coverage calculated in connection with the Backtesting Charge and the calculation of that charge do not include amounts already collected from that member as a Backtesting Charge. FICC states that 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 any appropriate Backtesting Charge amount to maintain that firm’s backtesting coverage above the 99 percent confidence threshold.¹⁶

The Proposed Rule Change would also clarify that the backtesting coverage calculation described in the definition is the coverage “calculated for purposes of calculating the Backtesting Charge,” distinguishing it from backtesting that FICC performs for other purposes which may use a different methodology. FICC states that because methodologies may differ, this aspect of the Proposed Rule Change would preclude confusion between the different coverage calculations.¹⁷ The Proposed Rule Change would also remove the defined terms for “Intraday Backtesting Charge” and “Regular Backtesting Charge” from

⁶ See GSD Rule 4 (Clearing Fund and Loss Allocation), *supra* note 4.

⁷ See GSD Rule 4, Section 1a, *id.*

⁸ See GSD Rules (Margin Component Schedule), *supra* note 4. 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.

⁹ See Notice of Filing, *supra* note 3, 90 FR at 37609. Backtesting is an ex-post comparison of actual outcomes (*i.e.*, the actual margin collected) with expected outcomes derived from the use of margin models. See 17 CFR 240.17Ad–22(a)(1).

¹⁰ *Id.*

¹¹ See Notice of Filing, *supra* note 3, 90 FR at 37609.

¹² GSD Rules (Margin Component Schedule), Section 5, *supra* note 4.

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ See Notice of Filing, *supra* note 3, 90 FR at 37609.

¹⁷ *Id.*

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 103602 (July 31, 2025), 90 FR 37608 (Aug. 5, 2025) (File No. SR–FICC–2025–017) (“Notice of Filing”).

⁴ Capitalized terms not defined herein shall have the meanings ascribed to them in the GSD Rules, available at <https://www.dtcc.com/legal/rules-and-procedures.aspx>.

⁵ FICC’s Mortgage-Backed Securities Division provides similar services for mortgage-backed securities. For purposes of this Order, “FICC” refers to GSD.

the definition, but continue to state that the Backtesting Charge may be calculated on both the start of day and intraday portfolio of members. FICC states that because the Backtesting Charge that is calculated and collected at the start of day and intraday are otherwise identical, the two separate defined terms are not necessary.¹⁸

Second, the Proposed Rule Change would revise the calculation of the backtesting coverage calculated in connection with the Backtesting Charge and the calculation of that charge by excluding from the calculation other margin amounts already collected intraday from the member. FICC states that this aspect of the Proposed Rule Change would remove from these calculations an assumption that FICC would collect all intraday margin requirements before the member defaults, because this assumption could underestimate the potential losses that FICC may experience if the member defaults prior to funding its intraday margin calls.¹⁹ FICC states that similar to excluding amounts already collected as a Backtesting Charge, as is the current practice described above, excluding other margin collected intraday would make it less likely for FICC to undercount potential backtesting deficiencies.²⁰ The Proposed Rule Change would reflect both the clarification of the exclusion of the Backtesting Charge and the change to also exclude all other intraday margin collection from the Backtesting Charge calculations, in a new paragraph in the definition.

FICC conducted an impact study on Backtesting Charges collected for the period beginning June 3, 2024, through May 30, 2025 (“Impact Study”).²¹ Overall, the Impact Study shows an increase in margin collection if the Proposed Rule Change to exclude amounts collected intraday from the Backtesting Charge calculation methodology had been in place.²² Specifically, the Impact Study shows that the aggregate average daily Backtesting Charges for the start of day and intraday margin cycles would have increased by approximately \$166.61MM or 121.2% and \$137.41MM or 90.3%, respectively, accounting for a 0.30% increase in overall margin for the start of day margin cycle and 0.25% increase

for the intraday margin cycle. The Impact Study also shows that 29 Members would have seen increases to the Backtesting Charge applied during the start of day margin cycle and 19 Members for the intraday margin cycle.

IV. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act²³ directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and rules and regulations thereunder applicable to such organization. After careful review of the Proposed Rule Change, the Commission finds that the Proposed Rule Change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to FICC. In particular, the Commission finds that the Proposed Rule Change is consistent with Section 17A(b)(3)(F) of the Act²⁴ and Rules 17Ad-22(e)(4)(i) and (e)(6)(i) thereunder.²⁵

A. Consistency With Section 17A(b)(3)(F) of the Act

Section 17A(b)(3)(F) of the Act requires that the rules of a clearing agency be designed to, among other things, promote the prompt and accurate clearance and settlement of securities transactions, and assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible.²⁶ The Proposed Rule Change is consistent with Section 17A(b)(3)(F) of the Act for the reasons stated below.

As discussed in Part II, FICC determines and monitors the appropriate margin to collect from members to mitigate potential losses from liquidation of a member's portfolio in the event of that member's default. The Backtesting Charge is a component of that margin, added when the member has a 12-month trailing backtesting coverage below the 99 percent backtesting coverage target. This helps ensure FICC collects sufficient margin to manage risk exposure to its members. As discussed in Part III, the Proposed Rule Change would clarify the current methodology for the calculation of the Backtesting Charge and incorporate a revision to it by clearly stating the exclusion of both the Backtesting Charge and other margin collected intraday

from these calculations. Additionally, the Proposed Rule Change would further clarify the definition of Backtesting Charge by removing unnecessary defined terms for “Intraday Backtesting Charge” and “Regular Backtesting Charge,” which are calculated and collected in the same way, and by clearly stating that the backtesting coverage referred to in the definition is the coverage that is calculated for purposes of calculating the Backtesting Charge. Thus, the Proposed Rule Change would make the GSD Rules clearer and more transparent regarding calculation of the Backtesting Charge.

In addition, as discussed in Part III, FICC is proposing to revise its margin calculation methodology to also exclude from the Backtesting Charge calculations other margin collected on an intraday basis. This proposed change would remove the assumption that a member would only default after it had met those intraday margin requirements, which could lead to an underestimation of potential losses if that member defaults prior to funding intraday margin calls. The Impact Study, which the Commission reviewed and analyzed as part of its consideration of this Proposed Rule Change, demonstrates that this revision to the calculations would result in an increase in the margin collected. Such an increase in FICC's available financial resources would decrease the likelihood that losses arising out of a member default would exceed FICC's prefunded resources and in a disruption of FICC's operation of its critical clearance and settlement services.

Because the clarifications to the margin calculation methodology should allow members to better anticipate their margin obligations to FICC and the revisions to the methodology should generally provide FICC with additional resources to manage potential losses arising out of a member default, the Proposed Rule Change should support FICC's ability to provide prompt and accurate clearance and settlement of securities transactions, consistent with Section 17A(b)(3)(F) of the Act.²⁷

Additionally, the Proposed Rule Change should allow FICC to collect margin in amounts that would maintain a member's backtesting results above the 99 percent coverage threshold, thus helping ensure FICC is collecting sufficient margin to cover potential losses in the event of that member's default. This should help limit nondefaulting members' exposure to mutualized losses since FICC would

¹⁸ *Id.*

¹⁹ *Id.* at 37610.

²⁰ *Id.*

²¹ As part of the Proposed Rule Change, FICC filed, as Exhibit 3, the Impact Study. Pursuant to 17 CFR 240.24b-2, FICC requested confidential treatment of Exhibit 3.

²² See Notice of Filing, *supra* note 3, 90 FR at 37610.

²³ 15 U.S.C. 78s(b)(2)(C).

²⁴ 15 U.S.C. 78q-1(b)(3)(F).

²⁵ 17 CFR 240.17Ad-22(e)(4)(i) and (e)(6)(i).

²⁶ 15 U.S.C. 78q-1(b)(3)(F).

²⁷ *Id.*

access the mutualized Clearing Fund should a defaulted member's own margin be insufficient to satisfy losses to FICC caused by the liquidation of that member's portfolio. By helping to limit the exposure of FICC's non-defaulting members to mutualized losses, the Proposed Rule Change should help FICC assure the safeguarding of securities and funds which are in its custody or control, consistent with Section 17A(b)(3)(F) of the Act.²⁸

B. Consistency With Rule 17Ad-22(e)(4)(i)

Rule 17Ad-22(e)(4)(i) requires that FICC establish, implement, maintain and enforce written policies and procedures reasonably designed to effectively identify, measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes, including by maintaining sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence.²⁹

As discussed above, the Backtesting Charge is assessed when a member has a 12-month trailing backtesting coverage below the 99 percent coverage target. The Proposed Rule Change clarifying and revising the margin calculation methodology for this margin component should help FICC collect margin that would maintain a member's backtesting results above the 99 percent coverage threshold. The Impact Study, which the Commission reviewed and analyzed as part of its consideration of this Proposed Rule Change, demonstrates that this revision to the calculations would result in an increase in the margin collected. These changes should better enable FICC to calculate and collect sufficient margin to manage and mitigate FICC's credit exposure to its members. By helping FICC maintain sufficient financial resources to cover such exposures fully with a high degree of confidence, the Proposed Rule Change is reasonably designed to enable FICC to effectively identify, measure, monitor, and manage its credit exposure to participants, consistent with Rule 17Ad-22(e)(4)(i).³⁰

C. Consistency With Rule 17Ad-22(e)(6)(i)

Rule 17Ad-22(e)(6)(i) requires, among other things, 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.³¹

As discussed above, the Proposed Rule Change would revise the margin calculation methodology for the Backtesting Charge to exclude other margin collected on an intraday basis. The Impact Study, which the Commission reviewed and analyzed as part of its consideration of this Proposed Rule Change, demonstrates that this revision to the calculations would result in an increase in the margin collected. By removing the assumption that members would only default after they had met those intraday margin requirements, this change to the calculation methodology should lessen the likelihood of underestimating potential losses if a member defaults prior to funding intraday margin calls. Therefore, the proposed change to the calculation would make it less likely for FICC to undercount potential backtesting deficiencies and better cover FICC's credit exposures to its members, consistent with the requirements of Rule 17Ad-22(e)(6)(i).³²

V. 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, with the requirements of Section 17A of the Act³³ and the rules and regulations promulgated thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act³⁴ that proposed rule change SR-FICC-2025-017, be, and hereby is, APPROVED.³⁵

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁶

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025-17730 Filed 9-12-25; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103940; File No. SR-FICC-2025-019]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing of Proposed Rule Change To Establish a New Collateral-in-Lieu Offering Within the Sponsored GC Service, and Expand the Sponsored GC Service To Allow a Sponsoring Member To Submit for Clearing a "Done-Away" Sponsored GC Trade

September 10, 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 August 29, 2025, Fixed Income Clearing Corporation ("FICC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the clearing agency. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of amendments to the FICC Government Securities Division ("GSD") Rulebook ("Rules")³ to (i) establish a new Collateral-in-Lieu ("CIL") offering ("CIL Service") within the existing Sponsored GC Service, and (ii) expand the Sponsored GC Service to allow a Sponsoring Member to submit for clearing a "done-away" Sponsored GC Trade (*i.e.*, a Sponsored GC Trade between its Sponsored Member and either a Netting Member other than the Sponsoring Member or another Indirect Participant of any Netting Member). The proposed rule changes are designed to facilitate access to FICC's clearance and settlement services, including by indirect participants, in accordance with the requirements of Rule 17Ad-22(e)(18) under the Act.⁴

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

³¹ 17 CFR 240.17Ad-22(e)(6)(i).

³² *Id.*

³³ 15 U.S.C. 78q-1.

³⁴ 15 U.S.C. 78s(b)(2).

³⁵ In approving the Proposed Rule Change, the Commission considered its impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

³⁶ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Capitalized terms not defined herein are defined in the Rules, available at <http://www.dtcc.com/legal/rules-and-procedures>.

⁴ 17 CFR 240.17Ad-22(e)(18).

²⁸ *Id.*

²⁹ 17 CFR 240.17Ad-22(e)(4)(i).

³⁰ *Id.*

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

Executive Summary of Proposed Changes

The purpose of the proposed rule change is to amend the Rules to (i) establish the CIL Service to be available within GSD's Sponsored GC Service, and (ii) expand the Sponsored GC Service to allow a Sponsoring Member to submit for clearing a "done-away" Sponsored GC Trade (*i.e.*, a Sponsored GC Trade between its Sponsored Member and either a Netting Member other than the Sponsoring Member or another Indirect Participant of any Netting Member).

The CIL Service would leverage much of the legal and operational framework applicable to FICC's existing Sponsored GC Service, but with certain adjustments designed to increase the ability of registered investment companies ("RICs") and other cash providers to access FICC's clearance and settlement system for repurchase transactions. In particular, the CIL Service would use a lien in favor of FICC on the Purchased GC Repo Securities to reduce the margin and capital costs of providing RICs and other cash providers with access to FICC's clearance and settlement systems, and would facilitate the ability of RICs and other cash providers to clear transactions executed through joint trading accounts.

Under the proposed CIL Service, a Sponsoring Member would be eligible to submit to FICC for clearance and settlement a repurchase transaction ("Sponsored GC CIL Trade") entered into by its Sponsored Member as cash provider ("CIL Funds Lender") with the Sponsoring Member (*i.e.*, "done-with") or with another Netting Member or any Netting Member's Indirect Participant (*i.e.*, "done-away") and for such transaction to settle through the tri-party platform operated by a Sponsored GC Clearing Agent Bank. The Sponsored GC CIL Trade would generally be treated as a Sponsored GC Trade under the Rules, but with certain key differences.

First, the Rules would provide for each CIL Funds Lender to grant FICC a security interest in the Purchased GC

Repo Securities subject to the Sponsored GC CIL Trade to secure the CIL Funds Lender's obligations under the transaction. The purpose of this lien is to eliminate the "double margining" that FICC understands from its engagement with market participants operates as a constraint on the ability of Sponsoring Members to provide clearance and settlement services to RICs and other cash providers.⁵ "Double margining" refers to the cost to a Sponsoring Member associated with funding both (1) a "haircut", which refers to the amount of securities posted to a RIC or other cash provider in excess of the cash funding provided under a repurchase transaction, and (2) initial margin posted to FICC with respect to the same transaction. Market participants have conveyed to FICC that the combined funding costs of these two sums limit the capacity of Sponsoring Members to clear Sponsored GC Trades entered into by RICs and other cash providers.

The lien granted by the CIL Funds Lender to FICC would serve to eliminate "double margining" by largely obviating the need for FICC to collect initial margin with respect to a Sponsored GC CIL Trade. The lien would allow FICC to use the Purchased GC Repo Securities to complete settlement with the CIL Funds Lender's pre-Novation counterparty (*i.e.*, the GC Funds Borrower) under the Sponsored GC CIL Trade in the event the CIL Funds Lender or its Sponsoring Member defaulted. As a result, it would, with limited exceptions, eliminate the need for FICC to collect initial margin to address the risk that the CIL Funds Lender fails to deliver such securities.⁶ In addition, by ensuring that FICC would be able to obtain the Purchased GC Repo Securities underlying the Sponsored GC CIL Trade, the lien would eliminate the need for the Sponsoring Member to guarantee the CIL Funds Lender's obligations under a Sponsored GC CIL Trade. That, in turn, would reduce the regulatory capital requirements, and thus the costs to the Sponsoring

Member, of providing the CIL Funds Lender with access to FICC's clearance and settlement services.

Second, the CIL Service would allow a Sponsoring Member to submit to FICC for clearance and settlement transactions that have been entered into by multiple RICs or other CIL Funds Lenders using a "joint trading account." FICC understands from its engagement with market participants that a number of RICs and other cash providers utilize joint trading accounts because they provide various efficiencies. However, the Sponsored GC Service does not currently allow a Sponsoring Member to submit to FICC for clearance and settlement a transaction entered into through a joint trading account, unless the investment adviser for the joint trading account's participants has specified each participant's respective portion of the transaction. As described in greater detail below, FICC understands from its engagement with market participants that this process, generally referred to as "allocation," often cannot be completed before the FICC submission deadline for the Sponsored GC Service. This is because an investment adviser generally needs information regarding the various participants' current cash positions before it can perform an allocation, and such information takes time to compile and examine. As a result, participants in a joint trading account are often unable to have their transactions submitted to FICC for clearing. Accordingly, FICC believes that allowing Sponsoring Members to submit Sponsored GC CIL Trades entered into by a joint trading account even before such transactions have been allocated would facilitate the ability of RICs and other cash providers to access FICC's clearance and settlement services.

Lastly, the CIL Service would not require Sponsored Members to exchange Funds-Only Settlement Amount payments with FICC in relation to Sponsored GC CIL Trades. FICC understands from its engagement with market participants that RICs and other cash providers are in many cases not operationally able to make or receive twice daily Funds-Only Settlement Amount payments and that a Sponsoring Member's receipt or collection of such amounts on behalf of a RIC or other cash provider could implicate various regulatory considerations.⁷ FICC understands that it is therefore common practice for Sponsoring Members and their Sponsored Members in the existing Sponsored GC Service to agree for the

⁵ See Letter from Ken Bentsen, President & CEO, SIFMA, et al. to Mark Uyeda, Jan. 24, 2025, in Release No. 34-95763, File No. S7-23-22, at 2, available at <https://www.sifma.org/wp-content/uploads/2025/01/SIFMA-Extension-Request-US-Treasury-Clearing-Mandate-FINAL-Clean.pdf> (describing "SEC-registered fund rules that effectively require double margining for cleared repos" as a critical issue that needs to be resolved in advance of the compliance date of the Trade Submission Requirement (as defined below)).

⁶ As noted below, FICC would still collect initial margin with respect to certain done-with Sponsored GC CIL Trades and would require that Sponsored GC CIL Trades have an Initial Haircut that is no less than the CIL Required Haircut (as such term would be defined in the Rules). See Rule 1, *supra* note 3.

⁷ See, e.g., 15 U.S.C. 80a-17(f).

Sponsoring Member to satisfy the relevant Funds-Only Settlement Amount obligations of the Sponsored Member and to receive any such amounts due to the Sponsored Member. However, such practice may be infeasible or expensive at greater scale, particularly if the transactions at issue are term transactions or “done-away” ones. Furthermore, because the lien in favor of FICC on the Purchased GC Repo Securities ensures that FICC will be able to look to such securities for the CIL Funds Lender’s performance, FICC does not need to collect Funds-Only Settlement Amounts to address the possibility of the CIL Funds Lender defaulting and the need for a replacement transaction.

As mentioned above, the CIL Service would allow a Sponsoring Member to submit to FICC for clearance and settlement Sponsored GC Trades that have been entered into on a done-with basis (*i.e.*, between a CIL Funds Lender and its own Sponsoring Member) or on a done-away basis (*i.e.*, between its Sponsored Member and either a Netting Member other than the Sponsoring Member or another Indirect Participant of any Netting Member). In connection with these changes, FICC is also proposing to amend the existing Sponsored GC Service to allow Sponsoring Members to submit transactions entered into by a Sponsored Member on a done-away basis for clearing. FICC believes that improving the ability of RICs and other cash providers to engage in done-away transactions can facilitate access by increasing the available scope of possible counterparties.⁸ Accordingly,

⁸ See, e.g., Letter from Joanna Mallers, Secretary, FIA Principal Traders Group to Vanessa Countryman, Apr. 17, 2024, in Release No. 34–99844, File No. SR–FICC–2024–007, at 3, available at <https://www.sec.gov/comments/sr-ficc-2024-007/srficc2024007-459391-1190934.pdf> (emphasizing the negative consequences of a lack of “done-away” clearing); Letter from Jennifer Han, Executive Vice President, Chief Counsel and Head of Global Regulatory Affairs, Managed Funds Association to Vanessa Countryman, Apr. 17, 2024, in Release No. 34–99844, File No. SR–FICC–2024–007, at 5, available at <https://www.sec.gov/comments/sr-ficc-2024-007/srficc2024007-461691-1208034.pdf> (emphasizing that indirect participants require a robust “done-away” clearing market); Letter from Jiri Krol, Deputy CEO, Global Head of Government Affairs, Alternative Investment Management Association to Vanessa Countryman, Apr. 23, 2024, in Release No. 34–99844, File No. SR–FICC–2024–007, at 4, available at <https://www.sec.gov/comments/sr-ficc-2024-007/srficc2024007-462091-1209374.pdf> (noting that indirect participants need done-away clearing to access clearing and settlement services); Letter from William Thum, Managing Director and Assistant General Counsel, SIFMA Asset Management Group to Vanessa Countryman, May 24, 2024, in Release No. 34–99844, File No. SR–FICC–2024–007, at 5, available at <https://www.sec.gov/comments/sr-ficc-2024-007/srficc2024007-477851-1366734.pdf> (noting that

allowing a Sponsoring Member to submit to FICC through the CIL Service or Sponsored GC Service transactions entered into by its Sponsored Member either on a done-away or on a done-with basis should facilitate greater access to FICC’s clearance and settlement systems.

(i) Background

FICC established its Sponsoring Member/Sponsored Member service (“Sponsored Member Service”) in 2005, allowing certain Netting Members (“Sponsoring Members”) to sponsor a Person into a limited FICC/GSD membership as a “Sponsored Member,”⁹ and submit to FICC for comparison, Novation, and netting certain types of eligible delivery versus payment (“DVP”) securities transactions (“Sponsored DVP Trades”). In 2021, FICC expanded the Sponsored Member Service to create the Sponsored GC Service and permit a Sponsoring Member to submit for clearing a Repo Transaction between the Sponsoring Member and its Sponsored Member (*i.e.*, a “done-with” transaction) involving securities represented by a Generic CUSIP Number and settled on a Sponsored GC Clearing Agent Bank’s tri-party repo platform (a “Sponsored GC Trade”, and each of a Sponsored DVP Trade and a Sponsored GC Trade, a “Sponsored Member Trade”).¹⁰ FICC has seen a steady increase in the volume of Sponsored GC Trades over the past few years.¹¹

In December 2023, the Commission adopted rules under the Act to amend the standards applicable to covered clearing agencies for U.S. Treasury securities to require that each covered clearing agency (i) have written policies and procedures reasonably designed to require that every direct participant of the covered clearing agency submit for clearance and settlement all eligible secondary market transactions (“ESMTs”) to which it is a counterparty (“Trade Submission Requirement”), and (ii) ensure that it has appropriate means to facilitate access to clearance and settlement services of all ESMTs, including those of indirect participants (“Access Requirement”).¹² In furtherance of the Access Requirement,

FICC must facilitate “done-away” trading in a manner that fulfills the Access Requirement (as defined below).

⁹ See Rule 3A, Section 3(a), *supra* note 3.

¹⁰ See Rule 3A, Section 7(b), *supra* note 3.

¹¹ See press release announcing growth in activity cleared through the Sponsored Member Service, available at <https://www.dtcc.com/news/2025/march/25/dtccs-ficc-now-live-with-new-treasury-clearing-capabilities>.

¹² Securities Exchange Act Release No. 99149 (Dec. 13, 2023), 89 FR 2714 (Jan. 16, 2024).

FICC has adopted new access models and margining arrangements and continues to review how it can further facilitate access by indirect participants to FICC’s clearance and settlement services of ESMTs.¹³ FICC has also established multiple advisory councils consisting of a broad spectrum of market participants and has regularly engaged, both formally and informally, with direct and indirect participants to identify what further steps FICC can take to facilitate access to central clearing.

Through this engagement, FICC has received feedback that addressing the following considerations would increase the ability of RICs and other cash providers to access FICC’s clearance and settlement services:

- RICs, including money market funds that are very active in the Treasury repo market, are subject to regulatory restrictions that constrain their ability to post cash or securities margin to FICC to support their transactions.¹⁴ As a result, a RIC’s Sponsoring Member generally must fund such margin obligation in the form of a Clearing Fund deposit, which funding increases the cost to the Sponsoring Member of clearing the RIC’s transactions. In addition, Sponsoring Members are generally required to post a haircut to RICs under Sponsored GC Trades so as to facilitate the RIC’s compliance with its regulatory obligations under Rule 5b–3 of the Investment Company Act of 1940 (“Investment Company Act”).¹⁵ Market

¹³ To address the Access Requirement, FICC filed a proposed rule change to adopt an Agent Clearing Service (“Access Model Filing”) and a separate proposed rule change to permit Segregated Customer Margin arrangements through which a Sponsoring Member may collect margin from a customer and on-post the margin to FICC (“Account Segregation Filing”). On November 21, 2024, the Commission issued orders approving the Access Model Filing and the Account Segregation Filing. See Securities Exchange Act Release Nos. 101695 (Nov. 21, 2024), 89 FR 93763 (Nov. 27, 2024) (SR–FICC–2024–007); and 101694 (Nov. 21, 2024), 89 FR 93784 (Nov. 27, 2024) (SR–FICC–2024–005).

¹⁴ See, e.g., 15 U.S.C. 80a–17(f). In connection with the Trade Submission Requirement, the Commission issued limited five-year no-action relief providing that, subject to a number of conditions, it would not provide a basis for enforcement action under Section 17(f) of the Investment Company Act if a RIC’s cash and/or securities were placed and maintained in the custody of FICC for purposes of meeting FICC’s margin deposit requirements that may be imposed for ESMTs in connection with the RIC’s participation in the Sponsored Member Service (“Time-Limited RIC No-Action Relief”). However, RIC Sponsored Members have informed FICC that they are largely unable to meaningfully rely on the Time-Limited RIC No-Action Relief to post margin to FICC in light of the five-year limitation as well as uncertainties regarding the conditions to this relief.

¹⁵ 17 CFR 270.5b–3(c)(1)(i) (providing that, in order for a repurchase transaction to be

participants have described the requirement to post a haircut on top of Clearing Fund deposits as “double margining” and have noted that such double margining serves to limit Sponsoring Members’ clearing capacity and thus their ability to provide access to RICs and other indirect participants.¹⁶

- Many RICs and other cash providers utilize “joint trading accounts,” whereby an authorized person of the cash providers, such as the cash providers’ investment adviser (“Joint Account Agent”), executes a single transaction on behalf of multiple cash providers and allocates the transaction to the participating cash providers such that each participating cash provider participates in the transaction relative to its allocated portion of the transaction.¹⁷ The Rules require that, when submitting a Sponsored GC Trade to FICC, a Sponsoring Member specify each Sponsored Member that is party to such transaction.¹⁸ However, the time it takes to render the allocation of a transaction executed through a joint trading account may be such that the final allocation is not performed until after the deadline to submit the transaction to FICC has passed. Such timing mismatch can effectively preclude the RIC or other cash provider from clearing transactions executed through a joint trading account.

- The Rules require that Funds-Only Settlement Amounts, including such amounts due with respect to Sponsored GC Trades, be paid or collected twice daily.¹⁹ FICC understands from its engagement with market participants

“Collateralized Fully,” “[t]he value of the securities collateralizing the repurchase agreement (reduced by the transaction costs (including loss of interest) that the investment company reasonably could expect to incur if the seller defaults) is, and during the entire term of the repurchase agreement remains, at least equal to the Resale Price provided in the agreement”); *see also* Adam Copeland et al., *Repo Intermediation and Central Clearing: An Analysis of Sponsored Repo* (Fed. Rsv. Bank of N.Y., Staff Rep. No. 1140, Dec. 2024), available at https://www.newyorkfed.org/medialibrary/media/research/staff_reports/sr1140.pdf (noting that “in some trades with money market funds, on top of FICC’s margin, dealers may be expected to deliver a two percent haircut to the money market fund to match prevailing practices in tri-party repo.”).

¹⁶ *See* SIFMA, *Urgent Action Required: 5 Unresolved Issues in Treasury Central Clearing Rules* (Dec. 10, 2024), available at <https://www.sifma.org/resources/news/blog/urgent-action-required-5-unresolved-issues-in-treasury-central-clearing-rules/> (suggesting that the Commission should “eliminate double margining for investment [advisers], as it risks reduced trading and liquidity.”).

¹⁷ *See* 1996 SIFMA Master Repurchase Agreement, Annex IV, Paragraph 4, available at <https://www.sifma.org/documents/master-repurchase-agreement-mra-2/>.

¹⁸ *See* Rule 3A, Section 7(b)(ii)(A), *supra* note 3.

¹⁹ *See* Schedule of Timeframes, *supra* note 3.

that RICs and other cash providers generally do not have the operational capability to pay or collect such amounts with such frequency, and that there may be regulatory considerations under Section 17(f) of the Investment Company Act or other regulatory regimes that may limit the ability of certain Sponsoring Members to collect or hold Funds-Only Settlement Amounts for RICs or other cash providers.²⁰ Therefore, Sponsoring Members typically agree to assume a Sponsored Member’s Funds-Only Settlement Amount obligations, and to receive a Sponsored Member’s Funds-Only Settlement Amount entitlements, under Sponsored GC Trades.²¹ However, this practice can be costly or infeasible and introduce questions under regulatory capital requirements if adopted on a greater scale, particularly in the case of term transactions or done-away transactions.

- Currently, a Sponsoring Member may submit to FICC for clearing a “done-away” Sponsored DVP Trade. However, FICC does not currently clear any “done-away” transactions under the Sponsored GC Service. Market participants have expressed interest in being able to clear a “done-away” Sponsored GC Trade (*i.e.*, a Sponsored GC Trade between the Sponsored Member and either a Netting Member other than the Sponsoring Member or another Indirect Participant of any Netting Member), so as to increase a Sponsored Member’s potential counterparties and limit the costs and time associated with documenting clearing arrangements with all potential counterparties.

In light of the feedback and to further support its compliance with the Access Requirement, FICC proposes to create the CIL Service that would aim to eliminate “double margining,” accommodate transactions executed through a joint trading account, eliminate Funds-Only Settlement Amount obligations for Sponsored GC CIL Trades, and accommodate both done-with and done-away trading. FICC

²⁰ *See, e.g.*, 15 U.S.C. 80a–17(f); Letter from Ken Bentsen, *supra* note 5.

²¹ *See* 2024 SIFMA Master Treasury Securities Clearing Agreement: Done-with, Module II, Section 5 (“... Customer and Clearing Member agree that (a) Clearing Member shall satisfy any obligation of Customer to FICC to pay any Funds-Only Settlement Amount in respect of the Customer Sponsored GC Trades; and (b) in consideration of the agreement of Clearing Member not to seek reimbursement of such amount described in clause (a) from Customer, Clearing Member shall be entitled to any Funds-Only Settlement Amount in respect of the Customer Sponsored GC Trades due to Customer from FICC.”), available at <https://www.sifma.org/resources/general/treasury-clearing-documentation/>.

is also proposing to expand the Sponsored GC Service to allow a Sponsoring Member to submit for clearing done-away Sponsored GC Trades. FICC believes that these changes would facilitate the ability of RICs as well as other cash providers to access FICC’s clearance and settlement services and to improve the ability of Netting Members to submit transactions to FICC for clearing.

(ii) The CIL Service

The proposed CIL Service would leverage much of the legal and operational framework applicable to the existing Sponsored GC Service, including the process for trade submission, the use of Generic CUSIP Numbers, and the process for settling the transactions through the tri-party platform of the Sponsored GC Clearing Agent Bank. Accordingly, the Rules, as proposed to be amended, would generally treat Sponsored GC CIL Trades as Sponsored GC Trades, with limited exceptions designed to address the considerations discussed above.

(A) Sponsored GC CIL Trades and Sponsored GC CIL Omnibus Account

1. Overview

FICC proposes to amend the Rules to establish a new type of transaction, called a “Sponsored GC CIL Trade.” A Sponsored GC CIL Trade would be a Sponsored GC Trade entered into by a Sponsored Member,²² acting as a CIL Funds Lender, and (i) the Sponsored Member’s own Sponsoring Member (*i.e.*, “done-with”) or (ii) either a Netting Member other than the Sponsoring Member or another Indirect Participant of any Netting Member (*i.e.*, “done-away”). FICC proposes for such Sponsored GC CIL Trades to be recorded in a new type of Indirect Participants Account, called a “Sponsored GC CIL Omnibus Account.” The reason FICC is proposing for Sponsored GC CIL Trades to be recorded in a separate Sponsored GC CIL Omnibus Account separate from the general Sponsoring Member Omnibus Account is that the margin requirements for Sponsored GC CIL Trades would be calculated differently from those for general Sponsored Member Trades. In addition, since one of the principal purposes of the CIL Service is to address the inability of CIL Funds Lenders to post margin, and the

²² Although certain features of the CIL Service are specifically designed to address considerations related to the Investment Company Act, any Sponsored Member would be permitted to be a CIL Funds Lender, and FICC anticipates that cash providers that are not RICs may seek to participate in the service (*e.g.*, if they are participants in joint trading accounts).

margin for Segregated Indirect Participants Accounts must generally consist of Indirect Participant assets, the Rules would not permit a Sponsored GC CIL Omnibus Account to be a Segregated Indirect Participants Account.

2. Summary of Proposed Rule Changes

To effectuate the proposed changes described above, FICC proposes to make the following amendments to its Rules.

New Defined Terms. FICC would revise Rule 1 to add the following new defined terms: (1) CIL Funds Lender, (2) Sponsored GC CIL Omnibus Account, and (3) Sponsored GC CIL Trade.

CIL Funds Lender would mean a Sponsored Member that is a GC Funds Lender in respect of a Sponsored GC CIL Trade.

Sponsored GC CIL Omnibus Account would mean an Account maintained by FICC for a Sponsoring Member to record Sponsored GC CIL Trades submitted to FICC by the Sponsoring Member on behalf of its Sponsored Members.

Sponsored GC CIL Trade would mean a Sponsored GC Trade between a Sponsored Member, acting as GC Funds Lender, and a Netting Member (which may be either its Sponsoring Member or another Netting Member) or another Indirect Participant of any Netting Member that the Sponsoring Member submits for recordation in a Sponsored GC CIL Omnibus Account.

Revisions to Defined Terms. In addition, FICC would make conforming revisions to the following existing defined terms in Rule 1: (1) Indirect Participants Account, (2) Sponsoring Member Omnibus Account, and (3) Type of Account, each as described in greater detail below.

FICC proposes to revise the definition of Indirect Participants Account to include a Sponsored GC CIL Omnibus Account.

FICC proposes to revise the definition of Sponsoring Member Omnibus Account to make clear that Sponsored GC CIL Trades would not be recorded in such an Account.

FICC proposes to revise the definition of Type of Account to include a Sponsored GC CIL Omnibus Account.

Establishment of Sponsored GC CIL Omnibus Account. FICC proposes to revise Sections 2 and 3 of Rule 2B to provide for the establishment of a Sponsored GC CIL Omnibus Account as an additional type of Indirect Participants Account and to make conforming changes. In particular, FICC proposes to amend Section 2 of Rule 2B to add a new clause (iii) providing that if a Netting Member is a Sponsoring Member, FICC may establish and

maintain for the Netting Member a Sponsored GC CIL Omnibus Account for purposes of recording Sponsored GC CIL Trades of the Sponsoring Member's Sponsored Members. In addition, FICC proposes to amend Sections 2(i) and 3 of Rule 2B to make clear that a Sponsoring Member Omnibus Account would not have Sponsored GC CIL Trades recorded in it and that a Sponsored GC CIL Omnibus Account may not be a Segregated Indirect Participants Account.

Other conforming changes. FICC proposes to revise Section 8(d) of Rule 3A, which concerns netting offsetting settlement obligations for purposes of calculating a Sponsoring Member's Individual Total Amount, to provide for such provision to apply to Sponsored GC CIL Omnibus Accounts to the same extent as it applies to Sponsoring Member Omnibus Accounts. FICC also proposes to revise Sections 10(a) and 10(b) of Rule 3A, which concern Sponsoring Members' Clearing Fund requirements, to provide for such provisions to apply to Sponsored GC CIL Omnibus Accounts, as applicable.

(B) Risk and Default Management

1. Overview

To address the "double margining" impediment to clearing, FICC proposes to require each CIL Funds Lender to collect a haircut and to grant FICC a lien on the Purchased GC Repo Securities subject to the Sponsored GC CIL Trade. The lien would be documented in a "CIL Custodial Agreement Supplement" between a Sponsored GC Clearing Agent Bank, a CIL Funds Lender, FICC, and the GC Funds Borrower. The Rules would require that each CIL Custodial Agreement Supplement include, at a minimum, the terms set forth in the Rules and no terms inconsistent with such terms. The CIL Custodial Agreement Supplement would supplement the existing custodial undertaking or similar agreement ("Custody Agreement") governing the account in which the Sponsored GC Clearing Agent Bank maintains the Purchased GC Repo Securities for the CIL Funds Lender ("Buyer's GC CIL Trade Account"). While each pairing of CIL Funds Lender and GC Funds Borrower would be required to enter into a CIL Custodial Agreement Supplement with FICC and the Sponsored GC Clearing Agent Bank, FICC plans to work with Sponsored GC Clearing Agent Banks to develop a streamlined documentation arrangement. Under this arrangement, an individual participant would be able to execute a single adherence document

that would have the effect of causing the participant to adhere simultaneously to CIL Custodial Agreement Supplements in relation to all or a portion of their existing Custody Agreements. This is similar to approaches that industry associations have used to allow parties to amend a number of documents simultaneously.²³

The purpose of the lien would be to allow FICC to acquire the Purchased GC Repo Securities and use them to settle with the GC Funds Borrower in the event FICC ceases to act for the CIL Funds Lender or its Sponsoring Member. In order to facilitate the foregoing, FICC proposes to amend the Rules to provide that if FICC ceases to act for a CIL Funds Lender, FICC may, in lieu of closing out the Sponsored GC CIL Trades (or a portion of any such trades), exercise its right as a secured party in relation to the Purchased GC Repo Securities and instruct the Sponsored GC Clearing Agent Bank to remove such Purchased GC Repo Securities from the account of such CIL Funds Lender. Under the Rules, FICC would only be permitted to instruct the Sponsored GC Clearing Agent Bank to remove the Purchased GC Repo Securities from the account of the CIL Funds Lender in two scenarios. First, FICC would be able to remove such securities if such removal is against cash in an amount equal to the amount payable to the CIL Funds Lender (*i.e.*, against the repurchase price due back to the CIL Funds Lender in final settlement of the Sponsored GC CIL Trade). Second, FICC would be able to remove the amount of Purchased GC Repo Securities necessary to satisfy the CIL Funds Lender's obligation to return excess Purchased GC Repo Securities or to return Purchased GC Repo Securities for which the GC Funds Borrower has exercised its right to make a substitution. The reason for this instruction right is that the GC Funds Borrower would, as is currently the case under the Sponsored GC Service, generally be entitled to the return of, and the CIL Funds Lender would be required to deliver, Purchased GC Repo Securities that have a market value greater than the value of the Purchased GC Repo Securities when the Sponsored GC CIL Trade was first entered into (the "GC Start Leg Market Value"). Such excess would generally arise due to an increase in the market value of the Purchased GC Repo Securities since the Sponsored GC CIL Trade was executed. In addition, the GC Funds Borrower would be entitled to effectuate, and a

²³ See ISDA Protocols, available at <https://www.isda.org/protocols/>.

CIL Funds Lender would be required to process, a substitution for some or all of the Purchased GC Repo Securities of the same Generic CUSIP Number. In order to ensure that FICC is able to perform its obligations to the GC Funds Borrower in relation to excess Purchased GC Repo Securities and substitutions, the Rules would permit FICC to instruct the Sponsored GC Clearing Agent Bank to remove the "Margin Excess Amount." The Rules would define "Margin Excess Amount" as, in respect of a Sponsored GC Trade, the amount of Purchased GC Repo Securities necessary to (i) cause the market value of the GC Funds Lender's GC Collateral Return Obligation to be no greater than the GC Start Leg Market Value or (ii) effectuate any permitted substitution of Purchased GC Repo Securities, in each case pursuant to Section 8(b) of Rule 3A.

So as to ensure that the Sponsored GC Clearing Agent Bank acts on such instructions and to perfect FICC's security interest in the Purchased GC Repo Securities, the CIL Custodial Agreement Supplement would contain an agreement by the Sponsored GC Clearing Agent Bank to comply with FICC's instructions except following delivery by the CIL Funds Lender to the Sponsored GC Clearing Agent Bank of a notice of a Corporation Default (a "GC CIL Notice of Default"). The reason the Sponsored GC Clearing Agent Bank would agree not to act on FICC's instructions following the delivery by the CIL Funds Lender of a CIL GC Notice of Default is to ensure that, consistent with market practice and the requirements of Investment Company Act Rule 5b-3, the CIL Funds Lender would be able to exercise remedies against the Purchased GC Repo Securities promptly upon a Corporation Default without potential competing instructions from FICC.²⁴ In addition, the CIL Custodial Agreement Supplement would provide that the CIL Funds Lender, FICC and the GC Funds Borrower all agree that the Sponsored GC Clearing Agent Bank would, until the CIL Funds Lender has delivered a GC CIL Notice of Default to the Sponsored GC Clearing Agent Bank, act upon FICC's instructions to transfer Purchased GC Repo Securities from the Buyer's GC CIL Trade Account to an account specified in such instruction (i) in an amount no greater than the Margin Excess Amount or (ii) against cash in an amount equal to the amount payable to the CIL Funds Lender at such time. By virtue of these provisions, FICC would effectively be able to settle a Sponsored

GC CIL Trade by (i) acquiring the Purchased GC Repo Securities it needs to deliver to the GC Funds Borrower on the Sponsored GC CIL Trade and (ii) transferring to the CIL Funds Lender the cash due to it (including the purchase price and accrued price differentials) under the Sponsored GC CIL Trade.

The ability of FICC to acquire the Purchased GC Repo Securities and use them to settle with the GC Funds Borrower would, except in limited circumstances discussed below, eliminate the need for FICC to collect margin in relation to the CIL Funds Lender's obligations under the Sponsored GC CIL Trade. In the context of a reverse repurchase transaction ("reverse repo"), FICC collects margin to ensure that it has sufficient resources in the event it ceases to act for the reverse repo buyer or its Sponsoring Member, to purchase the relevant securities and deliver them to the non-defaulting pre-Novation counterparty. However, if FICC can acquire the securities without taking market action by virtue of a lien on such securities, it would not need margin to secure the CIL Funds Lender's obligations.

In light of FICC's lien and its right to instruct the Sponsored GC Clearing Agent Bank in relation to the Purchased GC Repo Securities, FICC would generally be able to settle with the GC Funds Borrower and CIL Funds Lender even if FICC ceased to act for the CIL Funds Lender's Sponsoring Member. In such a situation, FICC would simply give the instruction to the Sponsored GC Clearing Agent Bank to complete settlement or allow the CIL Funds Lender to do so.

Nonetheless, a default of the Sponsoring Member could prevent FICC from effectuating such settlement, if the GC Funds Borrower on the Sponsored GC CIL Trade is the defaulting Sponsoring Member or an Indirect Participant of that Sponsoring Member or its Affiliate. In such default scenario, FICC may not be able to settle the Sponsored GC CIL Trade at all. For example, if the GC Funds Borrower is an Indirect Participant of the defaulting Sponsoring Member and the Sponsoring Member's trustee or bankruptcy receiver refuses to perform its obligation as processing agent for such Indirect Participant to complete settlement, FICC would not be able to settle. In other cases, FICC may be able to complete full or partial settlement notwithstanding the fact that it has ceased to act for the Sponsoring Member. For instance, if the Sponsoring Member were the GC Funds Borrower but entered into a back-to-back FICC-cleared transaction involving some or all of the Purchased GC Repo

Securities with a Netting Member or an Indirect Participant of a third party Netting Member, the Sponsoring Member's obligations would net out under Rule 22A, and FICC would be able to complete settlement with the Sponsoring Member's pre-Novation counterparty on the back-to-back transaction.

To address these possibilities, FICC proposes to provide that, if FICC ceases to act for the Sponsoring Member, and the GC Funds Borrower is the defaulting Sponsoring Member or one of its Indirect Participants, FICC may, as an alternative to effectuating settlement or exercising rights under its lien, terminate the Sponsored GC CIL Trade (or portion thereof). In such situation, the CIL Funds Lender would be permitted to take such market action in relation to the relevant Purchased GC Repo Securities as it determines in its discretion. In furtherance of the foregoing, the CIL Custodial Agreement Supplement would permit the CIL Funds Lender to instruct the Sponsored GC Clearing Agent Bank in relation to any Purchased GC Repo Securities that FICC has informed the Sponsored GC Clearing Agent Bank FICC does not intend to use to complete settlement with the relevant GC Funds Borrower.

Were FICC to terminate a Sponsored GC CIL Trade (or a portion thereof), FICC would calculate a liquidation amount owing in respect thereof to Rule 22A. If the liquidation amount is owed by the CIL Funds Lender to FICC, FICC would require resources to ensure the CIL Funds Lender can satisfy its obligation to pay such amount. To the extent the Sponsoring Member posted Clearing Fund to secure the obligations of the GC Funds Borrower, that Clearing Fund could serve as such resources. Accordingly, FICC proposes to amend the Rules to allow it to look to such Clearing Fund deposits to address a CIL Funds Lender's obligations in the event FICC closes out the Sponsored GC CIL Trades. However, if the GC Funds Borrower is an Indirect Participant that has posted Segregated Customer Margin, such margin would only be available to cover the GC Funds Borrower's obligations and could not be used to address the obligations of a CIL Funds Lender. FICC would therefore require other resources to cover such liquidation amount.

FICC proposes to address such need for additional resources in two ways. First, FICC proposes to require that a Sponsored GC CIL Trade have an Initial Haircut no less than 2 percent of the Contract Value of the Start Leg or such other amount determined by FICC ("CIL Required Haircut"). This requirement

²⁴ See 17 CFR 270.5b-3.

would be broadly consistent with the market practice of how uncleared triparty repos of RICs are overcollateralized today.²⁵ FICC would provide Netting Members with at least 30 Business Days' advance notice of any changes to the CIL Required Haircut. A change to the CIL Required Haircut may be driven by, for example, a shift in market practice related to initial haircuts to require a higher initial haircut to address the requirement within the Investment Company Act Rule 5b-3 that Sponsored GC CIL Trades be "Collateralized Fully".²⁶

Second, FICC proposes to subject the CIL Funds Lender's Sponsoring Member to a Clearing Fund requirement for a Sponsored GC CIL Omnibus Account ("Sponsored GC CIL Omnibus Account Required Fund Deposit") in circumstances when such is necessary to ensure that FICC would have resources, in the form of Clearing Fund deposits or Purchased GC Repo Securities, no less than the Clearing Fund FICC would otherwise collect in relation to the transaction. More specifically, FICC would calculate a Sponsored GC CIL Omnibus Account Required Fund Deposit if (and only if) (1) the Sponsored GC CIL Omnibus Account has been enabled to record Sponsored GC CIL Trades for which the GC Funds Borrower is its Sponsoring Member or a Segregated Indirect Participant of its Sponsoring Member; and (2) that Sponsoring Member or its Affiliate has a Segregated Indirect Participants Account. As noted above, only in that situation would FICC not have clearly available alternative resources (in the form of other Clearing Fund deposits and Purchased GC Repo Securities) to cover the obligations of a CIL Funds Lender. In all other situations, the Sponsoring Member would not be required to post any Clearing Fund in relation to a Sponsored GC CIL Omnibus Account.

The Sponsored GC CIL Omnibus Account Required Fund Deposit would be the greater of a \$1 million minimum and the sum of all applicable charges, which would include a VaR Charge, a Portfolio Differential Charge, and other applicable charges.²⁷ The VaR Charge

would be calculated for each CIL Funds Lender as the positive difference between (1) the amount of VaR Charge that FICC would have collected if the Sponsored GC CIL Trades of that CIL Funds Lender had been subject to the calculation of a Sponsoring Member Omnibus Account Required Fund Deposit, and (2) the aggregate of all CIL Required Haircuts on that CIL Funds Lender's Sponsored GC CIL Trades.

FICC's security interest in Purchased GC Repo Securities subject to Sponsored GC CIL Trades would also generally remove the need for the Sponsoring Member to guarantee to FICC the performance by the CIL Funds Lender of its obligations under the Sponsored GC CIL Trades, since FICC's lien generally would allow it to obtain the Purchased GC Repo Securities and perform to the GC Funds Borrower. Accordingly, FICC proposes to amend the Rules to provide that, notwithstanding anything to the contrary set forth in any Sponsoring Member Guaranty, the Sponsoring Member does not guarantee to FICC and, except as expressly set forth in the Rules, shall not be responsible for, the obligations of a Sponsored Member arising under any Sponsored GC CIL Trade for which the Sponsored Member is the CIL Funds Lender.

Because FICC would generally anticipate addressing a CIL Funds Lender default by utilizing the lien to settle with the GC Funds Borrower, FICC proposes to amend Section 16 of Rule 3A, which generally allows a Sponsoring Member to liquidate a done-with Sponsored Member Trade, to provide that a Sponsoring Member may only trigger that provision if FICC has not exercised its rights as a secured party. In addition, although as mentioned above, FICC would not generally require a Sponsoring Member to guarantee the obligations of a CIL Funds Lender, Section 16 of Rule 3A generally depends on the Sponsoring Member being responsible for the obligations of the Sponsored Member. Accordingly, FICC is proposing to amend the Rules to provide that, in the event that the Sponsoring Member did exercise its rights under Section 16 of Rule 3A to terminate any done-with Sponsored GC CIL Trades, the Sponsoring Member would be responsible for any Sponsored Member

Liquidation Amount owed by the CIL Funds Lender.

In addition to perfecting FICC's security interest in the Purchased GC Repo Securities and allowing FICC to give instructions so as to complete settlement with the GC Funds Borrower, the CIL Custodial Agreement Supplement would include a number of terms to facilitate the ability of RICs to conclude that Sponsored GC CIL Trades are "Collateralized Fully" within the meaning of Investment Company Act Rule 5b-3.²⁸ In particular, the CIL Custodial Agreement Supplement would make clear that the Buyer's GC CIL Trade Account is a "deposit account"²⁹ in relation to cash and a "securities account"³⁰ in relation to securities and other financial assets, and include acknowledgments from all relevant parties that the CIL Funds Lender is the "entitlement holder"³¹ of each Buyer's GC CIL Trade Account constituting a securities account, and each financial asset credited thereto, and the "bank's customer"³² of each Buyer's GC CIL Trade Account constituting a "deposit account,"³³ as such terms are used in the New York Uniform Commercial Code ("UCC"). Accordingly, the CIL Funds Lender would have "control" of each such account and all security entitlements, securities, financial assets, or cash credited thereto pursuant to UCC Section 8-106(d)(1) and UCC Section 9-104(a)(3), as applicable.³⁴ Under the UCC, control serves to perfect a security interest in a securities account or deposit account and all assets credited thereto.³⁵ In addition, the CIL Custodian

²⁸ See 17 CFR 270.5b-3(a), *supra* note 26.

²⁹ See UCC 9-102(a)(29) (defining "deposit account" to mean "a demand, time, savings, passbook, or similar account maintained with a bank").

³⁰ See UCC 8-501(a) (defining "securities account" to mean "an account to which a financial asset is or may be credited in accordance with an agreement under which the person maintaining the account undertakes to treat the person for whom the account is maintained as entitled to exercise the rights that comprise the financial asset").

³¹ See UCC 8-102(a)(7) (defining an "entitlement holder" to mean "a person identified in the records of a securities intermediary as the person having a security entitlement against the securities intermediary").

³² See UCC 9-104(a)(3) (providing that a secured party has control of a deposit account if "the secured party becomes the bank's customer with respect to the deposit account").

³³ See UCC 9-102(a)(29), *supra* note 29.

³⁴ See UCC 8-106(d)(1) (providing that a purchaser has "control" of a security entitlement if "the purchaser becomes the entitlement holder"); UCC 9-104(a)(3) (providing that a secured party has control of a deposit account if "the secured party becomes the bank's customer with respect to the deposit account").

³⁵ See UCC 9-314(a) (providing that a security interest in investment property and deposit

²⁵ See *supra* note 15.

²⁶ 17 CFR 270.5b-3(a) (stating that "the acquisition of a repurchase agreement may be deemed to be an acquisition of the underlying securities, provided the obligation of the seller to repurchase the securities from the investment company is Collateralized Fully"); 17 CFR 270.5b-3(c)(1) (defining "Collateralized Fully").

²⁷ The Portfolio Differential Charge addresses the variability of clearing activity submitted to GSD throughout the day by measuring the period-over-period increase in the VaR Charge of Members. The additional charges that may be included in a

Sponsored GC CIL Omnibus Account Required Fund Deposit when applicable would include a Backtesting Charge, Holiday Charge, Margin Liquidity Adjustment Charge and Intraday Supplemental Deposit. The calculation of each of these additional charges would be the same as when calculated with respect to a Sponsoring Member Omnibus Account.

Agreement Supplement would provide the CIL Funds Lender with the ability to take exclusive control of the Buyer's GC CIL Trade Account and issue instructions to the Sponsored GC Clearing Agent Bank with respect to such account upon delivery to the Sponsored GC Clearing Agent Bank of a CIL GC Notice of Default.³⁶

FICC is also proposing in the Rules certain terms that it understands from RICs are important to facilitate a conclusion that the Sponsored GC CIL Trades are "Collateralized Fully." Specifically FICC is proposing to provide in the Rules that, although each Sponsored GC CIL Trade is a sale and purchase and not a loan, in the event any such transaction is deemed to be a loan, FICC pledges to the relevant CIL Funds Lender as security for the performance by FICC of its obligations under such Sponsored GC CIL Trade, and grants such CIL Funds Lender a security interest in, all of FICC's rights, title and interest in and to the securities, financial assets and cash delivered to the CIL Funds Lender pursuant to such Sponsored GC CIL Trade and from time to time credited to the Buyer's GC CIL Trade Account, together with all proceeds of the foregoing.

The proposed CIL Service would not present any additional or new liquidity risks to FICC. FICC would incorporate Sponsored GC CIL Trades into its liquidity risk management calculations and into the calculation of Sponsoring Members' obligations with respect to the Capped Contingency Liquidity Facility ("CCLF"), as set forth in Section 2a(b) of Rule 22A, using the same methodology, logic and parameters that FICC uses with respect to Sponsored GC Trades.

2. Summary of Proposed Rule Changes

To effectuate the proposed changes described above, FICC proposes to make the following amendments to its Rules.

New defined terms. FICC would revise Rule 1 to add the following new defined terms: (1) CIL Custodial Agreement Supplement, (2) CIL Required Haircut, (3) Margin Excess Amount, and (4) Sponsored GC CIL Omnibus Account Required Fund Deposit.

CIL Custodial Agreement Supplement would mean an agreement between a Sponsored GC Clearing Agent Bank, a CIL Funds Lender, FICC and a GC

Funds Borrower that includes, at a minimum, the required terms set forth in a Schedule of Material Terms to the CIL Custodial Agreement Supplement, to be included in the Rules, and nothing inconsistent with those terms.

The CIL Custodial Agreement Supplement would be part of the agreement (often titled a "Custodial Undertaking") between the CIL Funds Lender, the GC Funds Borrower, and the Sponsored GC Clearing Agent Bank that governs the establishment of the accounts of the CIL Funds Lender and the GC Funds Borrower at the Sponsored GC Clearing Agent Bank, the processes for effecting transfers of cash or securities to or from such accounts, and the rights of the applicable parties relating to such accounts.

CIL Required Haircut would mean no less than 2 percent of the Contract Value of the Start Leg or such other amount as FICC may, with no less than thirty (30) Business Days' advance notice, make available to Netting Members in an Important Notice (or such other form as FICC may determine) and communicate to the Sponsored GC Clearing Agent Bank.

Margin Excess Amount would mean, in respect of a Sponsored GC Trade, the amount of Purchased GC Repo Securities necessary to (i) cause the market value of the GC Funds Lender's GC Collateral Return Obligation to be no greater than the GC Start Leg Market Value or (ii) effectuate any permitted substitution of Purchased GC Repo Securities, in each case pursuant to Section 8(b) of Rule 3A.

Sponsored GC CIL Omnibus Account Required Fund Deposit would mean the Sponsoring Member's Required Fund Deposit Portion that is calculated on the basis of the Sponsoring Member's Sponsored GC CIL Omnibus Account(s).

Revisions to defined terms. FICC proposes to revise the definition of Required Fund Deposit Portion to mean each item listed in Section 2(a)(i)–(v) of Rule 4, as a conforming change in light of the addition of a new clause (v) in Section 2(a) of Rule 4 as described below.

The definition of VaR Charge, set forth in Section 5 of the Margin Component Schedule, would be revised to provide that, with respect to each CIL Funds Lender, such charge would be calculated as the positive difference between (1) the amount of VaR Charge that FICC would have collected if the Sponsored GC CIL Trades of that CIL Funds Lender had been subject to the calculation of a Sponsoring Member Omnibus Account Required Fund Deposit, and (2) the aggregate of all CIL

Required Haircuts on that CIL Funds Lender's Sponsored GC CIL Trades.

Other Amendments. FICC proposes the following additional amendments.

FICC proposes to amend the last paragraph of Section 1 of Rule 3A to provide that, notwithstanding anything to the contrary set forth in any Sponsoring Member Guaranty, the Sponsoring Member does not guarantee to FICC, and, except as expressly set forth in the Rules, shall not be responsible for, the obligations of a Sponsored Member arising under any Sponsored GC CIL Trade for which the Sponsored Member is the CIL Funds Lender.

FICC proposes to revise Section 7(b)(i) of Rule 3A to specify that Sponsored GC CIL Trades must have an Initial Haircut no less than the CIL Required Haircut, and further provide that no modification to the CIL Required Haircut (as provided for in the definition of the CIL Required Haircut) would apply to Sponsored GC CIL Trades that have been Novated to FICC prior to the effectiveness of such modification.

FICC proposes to add a new Section 7(b)(v) to Rule 3A to provide that, although FICC and each CIL Funds Lender intend that each Sponsored GC CIL Trade be a sale and purchase and not a loan, in the event any such transaction is deemed to be a loan, FICC pledges to the relevant CIL Funds Lender as security for the performance by FICC of its obligations under such Sponsored GC CIL Trade, and grants such CIL Funds Lender a security interest in, all of FICC's rights, title and interest in and to the securities, financial assets and cash delivered to the CIL Funds Lender pursuant to such Sponsored GC CIL Trade and from time to time credited to the Buyer's GC CIL Trade Account, together with all proceeds of the foregoing.

FICC proposes to revise Section 10(c) of Rule 3A to provide that Sponsored GC CIL Omnibus Account Required Fund Deposit with respect to obligations of a Sponsoring Member arising under Sponsored GC CIL Trades would be subject to the same requirements as Sponsoring Member Omnibus Account Required Fund Deposit, if applicable. The revised Section 10(c) would also provide that a Netting Member's Actual Deposit would secure (1) the Netting Member's obligation to provide Sponsored GC CIL Omnibus Account Required Fund Deposit, if applicable, and (2) the obligations of the CIL Funds Lender under each Sponsored GC CIL Trade for which the Netting Member acts as Sponsoring Member.

FICC proposes to revise Section 10(e) of Rule 3A to provide that, consistent

accounts "may be perfected by control of the collateral").

³⁶ See 17 CFR 270.5b–3(c)(1)(v) (requiring that "[u]pon an Event of Insolvency with respect to the seller, the repurchase agreement would qualify under a provision of applicable insolvency law providing an exclusion from any automatic stay of creditors' rights against the seller").

with the existing provision under Rule 3A that prohibits Sponsoring Members from engaging in cross-margining with respect to Sponsoring Member Omnibus Accounts, a Sponsoring Member would not be eligible to participate in any Cross-Margining Arrangements with respect to any Sponsored GC CIL Omnibus Account.

FICC proposes to revise Section 10(f) of Rule 3A to provide that, unlike for other Sponsored GC Trades, for purposes of the application of Rule 4 and the Margin Component Schedule to a Sponsoring Member Omnibus Account, Sponsored GC CIL Trades would not be treated as GCF Repo Transactions.

FICC proposes to add a new Section 10(g) to Rule 3A to provide that, to secure the full and timely performance of its obligations to FICC in connection with each Sponsored GC CIL Trade, each CIL Funds Lender would be required to execute a CIL Custodial Agreement Supplement wherein it pledges and grants to FICC, and agrees that FICC shall have, a continuing lien on and security interest in, all of such CIL Funds Lender's rights, title and interest in and to all Purchased GC Repo Securities subject to each outstanding Sponsored GC CIL Trade.

FICC proposes to revise Section 13 of Rule 3A to add a new Section 13(d) to provide that, if FICC ceases to act for a CIL Funds Lender, FICC may, in lieu of applying the provisions of Rule 22A in relation to one or more Sponsored GC CIL Trades (or a portion of any such trade), exercise its rights as a secured party in relation to some or all of the Purchased GC Repo Securities in respect of the Sponsored GC CIL Trades of such CIL Funds Lender and, in connection therewith, instruct the Sponsored GC Clearing Agent Bank to remove such Purchased GC Repo Securities from the account of such CIL Funds Lender (x) in an amount no greater than the Margin Excess Amount or (y) in an amount FICC determines to be equal to the amount payable to the CIL Funds Lender in connection with its GC Collateral Return Obligation corresponding to such Purchased GC Repo Securities.

FICC proposes to amend Section 14(d) of Rule 3A to make clear that the provisions of Section 14(e), rather than the last sentence of Section 14(d), would specify the actions FICC may take in respect of Sponsored GC CIL Trades if FICC ceases to act for a Sponsoring Member.

FICC proposes to add a new Section 14(e) to Rule 3A that addresses the actions FICC may take in respect of Sponsored GC CIL Trades if FICC ceases

to act for a Sponsoring Member. It would provide that, in such situation, FICC may, in its discretion, either (i) transfer such Sponsored GC CIL Trades to another Sponsoring Member pursuant to Rule 26, (ii) settle all or a portion of the GC Collateral Return Obligations arising from such Sponsored GC CIL Trades as well as all corresponding Margin Excess Amount obligations, (iii) utilize its lien to achieve such effective settlement, or (iv) if the GC Funds Borrower to such Sponsored GC CIL Trade was the Sponsoring Member or an Indirect Participant of such Sponsoring Member, terminate such Sponsored GC CIL Trade, in which case Rule 22A would apply in relation to such Sponsored GC CIL Trade.

FICC proposes to revise Section 16 of Rule 3A to provide that the Sponsoring Member may utilize the close-out mechanism therein for any done-with Sponsored Member Trade (including any done-with Sponsored GC Trade and any done-with Sponsored GC CIL Trade) and to add as a condition to such utilization in the context of a Sponsored GC CIL Trade (or a portion of any such trade) that FICC has not exercised its rights set forth in proposed Section 13(e) of Rule 3A, as described above.

FICC proposes to revise Section 2(a) of Rule 4 regarding the components of the Required Fund Deposit a Netting Member must make to add a new clause (v) consisting of an amount calculated with respect to the Netting Member's Margin Portfolios that include one or more Sponsored GC CIL Omnibus Accounts, when such amount is applicable pursuant to the Margin Component Schedule.

FICC also proposes to amend Section 4(a) of Rule 4 to provide that a Netting Member's Clearing Fund deposit and other collateral pledged thereunder would secure all obligations and liabilities of the Netting Member's Sponsored Members in respect of Sponsored GC CIL Trades in the Netting Member's Sponsored GC CIL Omnibus Account (if applicable).

FICC proposes to revise Section 2 of Rule 22A to provide that FICC would not close out a Sponsored GC CIL Trade (or a portion thereof) if it determines to exercise its right as a secured party in relation to the relevant Purchased GC Repo Securities, and that the CIL Funds Lender may take market action in relation to the Purchased GC Repo Securities in respect of a Sponsored GC CIL Trade (or a portion thereof) in its discretion if FICC determines to terminate the Sponsored GC CIL Trade (or such portion).

FICC proposes to revise Section 2 of the Margin Component Schedule to add

a new subsection (c) that describes when a Sponsored GC CIL Omnibus Account Required Fund Deposit may be calculated with respect to a Sponsored GC CIL Omnibus Account and the components of that calculation. This subsection would provide that a Sponsored GC CIL Omnibus Account Required Fund Deposit would only be calculated if (1) the Sponsored GC CIL Omnibus Account has been enabled to record Sponsored GC CIL Trades for which the GC Funds Borrower is its Sponsoring Member or a Segregated Indirect Participant of its Sponsoring Member; and (2) that Sponsoring Member or its Affiliate has a Segregated Indirect Participants Account.

FICC proposes to also provide in the new Section 2(c) of the Margin Component Schedule that, on each Business Day, FICC would determine the Sponsored GC CIL Omnibus Account Required Fund Deposit, for each Margin Portfolio that includes one or more Sponsored GC CIL Omnibus Accounts, as an Unadjusted GSD Margin Portfolio Amount equal to the sum of (i) the VaR Charge, plus (ii) the Portfolio Differential Charge. This proposed section would also provide that the following charges may be added to the Unadjusted GSD Margin Portfolio Amount, when applicable: (i) Backtesting Charge, (ii) Holiday Charge, (iii) Margin Liquidity Adjustment Charge, and (iv) Intraday Supplemental Fund Deposit.

FICC proposes to amend Section 2(d) (as renumbered) to provide that any Sponsored GC CIL Omnibus Account Required Fund Deposit that is collected would be equal to the greater of (i) the sum of the Unadjusted GSD Margin Portfolio Amount and all applicable additional charges; and (ii) a minimum charge of \$1 million.

FICC proposes to add a Schedule of CIL Custodial Agreement Supplement Material Terms to the Rules, which would set forth the minimum terms that would be required to be included in an agreement for that agreement to qualify as a CIL Custodial Agreement Supplement pursuant to the definition of such term in the Rules. Such minimum terms would include: (i) the establishment of Buyer's GC CIL Trade Accounts to which all securities transferred pursuant to a Sponsored GC CIL Trade and proceeds thereof would be credited; (ii) the creation of FICC's lien in each Buyer's GC CIL Trade Account and assets credited thereto, and the obligation for the Sponsored GC Clearing Agent Bank to comply with FICC's instructions with respect thereto, except following a Corporation Default; (iii) the obligation for the Sponsored GC

Clearing Agent Bank to comply with certain instructions of the CIL Funds Lender in connection with the final settlement of a Sponsored GC CIL Trade, following FICC's decision to terminate a Sponsored GC CIL Trade after the default of the Sponsoring Member, or upon a Corporation Default; and (iv) terms to facilitate the ability of CIL Funds Lenders that are RICs to conclude that Sponsored GC CIL Trades are "Collateralized Fully" within the meaning of Investment Company Act Rule 5b-3, as discussed above.³⁷

(C) CIL Joint Accounts

1. Overview

FICC understands from its engagement with market participants that RICs and other cash providers that have engaged a common investment adviser may seek to enter into triparty repo transactions using "joint trading accounts." The investment adviser acts as agent for the joint trading account in accordance with guidance issued by Commission staff. The obligations of the investment adviser and a cash provider in relation to the joint trading account are typically set out in an agreement between the investment adviser and the cash provider.

One of the obligations of an investment adviser that acts on behalf of a joint trading account is to "allocate" transactions entered into through the joint trading account to the individual participants. FICC understands that such allocation serves to cause the transaction to constitute separate individual transactions between the counterparty and each participant based on the participant's allocated portion. FICC further understands that, prior to such allocation, the transaction remains a single transaction, but with each participant having a pro rata interest in it and being liable for a pro rata share of the obligations. Regardless of whether a transaction has been allocated or not, FICC understands that each participant's entitlement to the purchased securities in the triparty account corresponds to its portion of the relevant transaction.

To facilitate the ability of CIL Funds Lenders to access FICC's clearance and settlement systems in relation to transactions executed through a joint trading account, FICC proposes to permit two or more CIL Funds Lenders to be represented by an agent (a "CIL

Joint Account Agent") that has been approved by FICC. Each such CIL Funds Lender and CIL Joint Account Agent would need to sign and deliver to FICC a "CIL Joint Account Agent Agreement" in such form as may be prescribed by FICC. The CIL Joint Account Agent Agreement would require the CIL Funds Lender and CIL Joint Account Agent to represent that their performance of their obligations under the CIL Joint Account Agent Agreement and the Rules is in compliance with all applicable law. FICC further proposes to amend its Rules to permit a Sponsoring Member to submit to FICC for Novation a Sponsored GC CIL Trade entered into by a CIL Joint Account Agent on behalf of multiple CIL Funds Lenders (each such Sponsored GC CIL Trade, a "CIL Joint Account Block").

Each such CIL Funds Lender on whose behalf a CIL Joint Account Block has been submitted would only be entitled to, and liable for, its respective portion of the rights and obligations arising under or in connection with the CIL Joint Account Block. The responsibility to calculate such portions as well as to engage in the formal allocation would be on the CIL Joint Account Agent in accordance with the terms of any investment management or other agreement between the CIL Joint Account Agent and the CIL Funds Lender. The Rules would provide that, if the CIL Joint Account Agent has performed such allocation, the entitlement of each CIL Funds Lender to, and liability of each such CIL Funds Lender for, the rights and obligations arising under or in connection with such CIL Joint Account Block shall be limited to the amount of such CIL Joint Account Block allocated to each such CIL Funds Lender. If the CIL Joint Account Agent has not performed such allocation, the CIL Funds Lender would be liable for its pro rata portion of the transaction.

FICC proposes to adopt amendments to the Rules that would address how FICC would handle the default of a CIL Funds Lender on whose behalf a CIL Joint Account Block has been submitted. FICC understands that RICs are generally subject to regulatory requirements that limit their ability to agree to have their transactions affected as a result of a circumstance affecting another firm acting through the same joint trading account. FICC therefore proposes to provide in the Rules that, in a default of a CIL Funds Lender on whose behalf a CIL Joint Account Block has been submitted, FICC would, to the extent it determines doing so is feasible and consistent with applicable law, exercise remedies in a way that would

have no significant adverse impact on the interest of any non-defaulting CIL Funds Lender in such CIL Joint Account Block or the Purchased GC Repo Securities related thereto.

If FICC cannot exercise remedies in a way that does not have a significant adverse impact on the interest of any non-defaulting CIL Funds Lender (e.g., if the CIL Joint Account Block has not been allocated), FICC would, to the extent it determines that doing so is not prohibited by, and would not prejudice its rights under, applicable law and is necessary to preserve the interest of any non-defaulting CIL Funds Lenders, refrain from exercising remedies against the CIL Funds Lender in relation to such CIL Joint Account Block or Purchased GC Repo Securities, including its rights under its security interest in the Purchased GC Repo Securities, except to facilitate the movement of any Margin Excess Amount or on the maturity date of the CIL Joint Account Block, at which point FICC would cause the transfer of the Purchased GC Repo Securities against the amount due under the CIL Joint Account Block. As discussed above, in relation to a defaulting CIL Funds Lender, such exercise would constitute an exercise of remedies as a secured party. In relation to any non-defaulting CIL Funds Lender, such exercise of remedies would constitute settlement of its portion of the CIL Joint Account Block in relation to mark-to-market, substitution, or final settlement obligations with respect thereto.

In order to ensure that FICC knows the respective interests of the defaulting and non-defaulting CIL Funds Lenders in a CIL Joint Account Block, FICC proposes to require that a CIL Joint Account Agent provide FICC with certain information in the event FICC ceases to act for a CIL Funds Lender on whose behalf a CIL Joint Account Agent acts. In particular, the Rules would provide that, in the event FICC ceases to act for a CIL Funds Lender that is a participant in a CIL Joint Account Block, the relevant CIL Joint Account Agent must promptly notify FICC whether such CIL Joint Account Block had been allocated and, if so, the respective allocation to the defaulting CIL Funds Lender. The Rules would further provide that the CIL Joint Account Agent would not be permitted to change the allocation information with respect to the defaulting CIL Funds Lender following such notification. FICC does not propose to require the CIL Joint Account Agent to provide allocation information outside the context of a default by a CIL Funds Lender because, in light of FICC's lien on the Purchased GC Repo Securities

³⁷ 17 CFR 270.5b-3(c)(1)(v) (requiring that "[u]pon an Event of Insolvency with respect to the seller, the repurchase agreement would qualify under a provision of applicable insolvency law providing an exclusion from any automatic stay of creditors' rights against the seller").

and instruction right, FICC does not require such information to risk manage the Sponsored GC CIL Trade or to effectuate settlement thereof.

2. Summary of Proposed Rule Changes

To effectuate the proposed changes described above, FICC proposes to make the following amendments to its Rules.

New defined terms. FICC would revise Rule 1 to add the following new defined terms: (1) CIL Joint Account, (2) CIL Joint Account Agent, (3) CIL Joint Account Agent Agreement, and (4) CIL Joint Account Block.

CIL Joint Account would mean a group of two or more CIL Funds Lenders represented by a CIL Joint Account Agent.

CIL Joint Account Agent would mean an entity authorized to enter into Sponsored GC CIL Trades on behalf of two or more CIL Funds Lenders.

CIL Joint Account Agent Agreement would mean the agreement required by new Section 3A of Rule 3A (as described below) to be signed and delivered to FICC by each CIL Funds Lender that would be represented by a CIL Joint Account Agent and the applicable CIL Joint Account Agent.

CIL Joint Account Block would mean a Sponsored GC CIL Trade entered into by a CIL Joint Account Agent on behalf of multiple CIL Funds Lenders.

Other amendments. FICC proposes to add a new Section 3A to Rule 3A to facilitate the ability of CIL Funds Lenders to clear transactions executed through joint trading accounts as described above. Specifically:

Paragraph (a) of proposed Section 3A would provide that two or more CIL Funds Lenders may be represented by a CIL Joint Account Agent that has been approved by FICC subject to each such CIL Funds Lender and such CIL Joint Account Agent signing and delivering a CIL Joint Account Agent Agreement to FICC in such form as may be prescribed by FICC. If FICC terminates the CIL Joint Account Agent Agreement, the CIL Joint Account Agent would no longer be permitted to represent the CIL Funds Lenders in relation to any new CIL Joint Account Block, except in respect of any outstanding CIL Joint Account Block(s) that have been Novated. FICC's termination of the CIL Joint Account Agent Agreement would not affect such CIL Joint Account Block(s), nor would it affect the CIL Joint Account Agent's ability to act on behalf of a CIL Funds Lender in another capacity.

Paragraph (b) of proposed Section 3A would provide that a CIL Joint Account Agent may enter into, and a Sponsoring Member may submit to FICC for Novation in accordance with Rule 3A, a

CIL Joint Account Block on behalf of multiple CIL Funds Lenders. Each CIL Funds Lender would be entitled to, and responsible for, only the rights and obligations associated with the portion of the CIL Joint Account Block allocated to it. If any portion of the obligations to FICC remains unallocated, each represented CIL Funds Lender would be liable for its *pro rata* share of those unallocated obligations.

Paragraph (c) of proposed Section 3A would address the exercise of remedies in the event FICC ceases to act for a CIL Funds Lender on whose behalf a CIL Joint Account Block has been submitted. In such event, for each CIL Joint Account Block entered into by a CIL Joint Account Agent in respect of a CIL Joint Account in which the defaulted CIL Funds Lender is a participant at the time the CIL Joint Account Block was entered into, the CIL Joint Account Agent would need to promptly notify FICC (A) whether the defaulting CIL Funds Lender was a CIL Funds Lender on behalf of which such CIL Joint Account Agent entered into such CIL Joint Account Block and (B) for each such CIL Joint Account Block, (x) the amount of such CIL Joint Account Block that has been allocated to the defaulting CIL Funds Lender or (y) that such CIL Joint Account Block was not allocated by the CIL Joint Account Agent among the defaulting CIL Funds Lender and the other CIL Funds Lenders represented by such CIL Joint Account Agent in the applicable CIL Joint Account, in each case as of the time of such notification. After such notification, the CIL Joint Account Agent would not be permitted to allocate or reallocate any CIL Joint Account Block or any portion thereof to or from the defaulting CIL Funds Lender.

Paragraph (c) would further provide that, to the extent FICC determines it is feasible and consistent with applicable law, FICC would exercise remedies in a manner that does not have a significant adverse impact on the interest of any non-defaulting CIL Funds Lender in the relevant CIL Joint Account Block or the related Purchased GC Repo Securities. If FICC determines that it is impossible to exercise remedies against a defaulting CIL Funds Lender without having a significant adverse impact on the interests of a non-defaulting CIL Funds Lender (for example, because the CIL Joint Account Block has not been allocated), FICC would refrain from exercising remedies against the defaulting party except to facilitate movement of any Margin Excess Amount or on the maturity date of the CIL Joint Account Block, at which time FICC would exercise its rights as a

secured party to cause the transfer of the Purchased GC Repo Securities against the amount due under the CIL Joint Account Block. In relation to any non-defaulting CIL Funds Lender, such exercise of remedies shall constitute settlement of its portion of the CIL Joint Account Block. FICC would only be required to refrain from exercising remedies if it determines that refraining from exercising such remedies is not prohibited by, and would not prejudice its rights under, applicable law (including insolvency laws applicable to the defaulting CIL Funds Lender) and is necessary to preserve the interests of non-defaulting CIL Funds Lenders.

(D) Funds-Only Settlement ("FOS")

1. Overview

Under the existing Sponsored GC Service, the only Funds-Only Settlement Amounts that the pre-Novation counterparties to a Sponsored GC Trade are obligated to pay to FICC and entitled to receive from FICC are the Forward Mark Adjustment Payment and Interest Adjustment Payment. The reason FICC exchanges such amounts with the pre-Novation counterparties is to address the risk that the pre-Novation counterparty (or its Sponsoring Member or Agent Clearing Member, as applicable) defaults and FICC needs to enter into a replacement transaction at market interest rates in order to perform to the other pre-Novation counterparty. In such a situation, ambient interest rates may have shifted since the date of Novation of the Sponsored GC Trade such that the cost to FICC of entering into the replacement transaction at market rates may be greater or less than what the cost would have been at the time the Sponsored GC Trade was originally Novated. The Forward Mark Adjustment Payment captures the loss or gain to FICC and the defaulting pre-Novation counterparty of such greater or lower costs and thereby ensures that FICC and the pre-Novation counterparty are made whole in the event FICC ceases to act for the pre-Novation counterparty. The Interest Adjustment Payment serves to compensate the payer of the Forward Mark Adjustment Payment for the time value of the payment.

In the context of the CIL Service, FICC's lien on the Purchased GC Repo Securities and ability to instruct the Sponsored GC Clearing Agent Bank to transfer such securities would effectively ensure that FICC never needs to enter into a replacement transaction to address the default of a CIL Funds Lender (or its Sponsoring Member). Rather, FICC would rely upon its lien

and instruction right to settle with the GC Funds Borrower or, if the GC Funds Borrower is the Sponsoring Member or its Indirect Participant, possibly terminate both the transaction with the CIL Funds Lender and GC Funds Borrower such that no replacement transaction is required.

FICC is therefore proposing for FICC not to pay or collect Funds-Only Settlement Amounts to or from a CIL Funds Lender (or its Sponsoring Member) in relation to a Sponsored GC CIL Trade. FICC would still collect Funds-Only Settlement Amounts from the GC Funds Borrower in relation to the Sponsored GC CIL Trade because, in the event the GC Funds Borrower (or its Sponsoring Member or Agent Clearing Member, as applicable) defaults, FICC might need to enter into a replacement transaction to perform to the CIL Funds Lender. However, FICC would not pay Funds-Only Settlement Amounts to the GC Funds Borrower because FICC would not be collecting such amounts from the CIL Funds Lender.

FICC understands from its engagement with market participants that eliminating the exchange of Funds-Only Settlement Amounts with CIL Funds Lenders would facilitate the ability of RICs and other cash providers to access FICC's clearance and settlement services. This is because RICs and other cash providers generally do not have the operational capacity to engage in twice-daily exchanges of Funds-Only Settlement Amounts and, even if they did, passing such amounts through a Sponsoring Member may not be consistent with a RIC's obligations under Section 17(f) of the Investment Company Act, depending on the identity of the Sponsoring Member.³⁸ In light of these challenges, FICC understands that Sponsoring Members generally assume the obligation of RICs and other GC Funds Lenders to pay Funds-Only Settlement Amounts in exchange for the Sponsoring Member being able to keep any such amounts paid by FICC.³⁹ However, expanding that practice may be infeasible and expensive, particularly in the context of

term or done-away transactions. In term transactions, the Forward Mark Adjustment Payment may be substantially greater than in overnight transactions, while in done-away transactions the Forward Mark Adjustment Payment can have a real liquidity impact on the Sponsoring Member since the Sponsoring Member will not receive an equivalent amount from FICC as "the other side" of the trade. Furthermore, FICC understands that requiring Sponsoring Members that do not otherwise guarantee the obligations of CIL Funds Lenders to cover the CIL Funds Lender's Funds-Only Settlement Amount obligations could have regulatory capital implications for Sponsoring Members. In light of the foregoing, FICC believes that eliminating the need for CIL Funds Lenders or their Sponsoring Members to post Funds-Only Settlement Amounts would make it easier for RICs and other cash providers to transact using FICC's CIL Service.

2. Summary of Proposed Rule Changes

To effectuate the proposed changes described above, FICC proposes to (i) amend Section 9 of Rule 3A to provide that Sponsored GC CIL Trades would not be subject to Section 9(b) of Rule 3A, which specifies the Funds-Only Settlement Amount obligations generally applicable to Sponsored GC Trades, (ii) renumber existing Section 9(c) of Rule 3A as Section 9(d), and (iii) add a new Section 9(c) to Rule 3A to provide that neither a CIL Funds Lender nor its Sponsoring Member shall be obligated to pay to FICC and/or be entitled to receive from FICC, any amounts arising in relation to the Sponsored GC CIL Trades under Rule 13. The new Section 9(c) would further provide that each GC Funds Borrower would be obligated to pay FICC, but would not be entitled to receive from FICC, any Forward Mark Adjustment Payments and associated Interest Adjustment Payments in accordance with Rules 13 and 3A in relation to each Sponsored GC CIL Trade, provided that at the maturity of such Sponsored GC CIL Trade, FICC would pay to the GC Funds Borrower any such amounts so collected.

(iii) Done-Away Sponsored GC Trades

(A) Overview

Currently, a Sponsoring Member may submit only "done-with" transactions to FICC under the Sponsored GC Service (*i.e.*, transactions between the Sponsored Member and the Sponsoring

Member).⁴⁰ FICC proposes to amend its Rules to permit a Sponsoring Member to submit to FICC for clearing under the existing Sponsored GC Service done-away transactions (*i.e.*, transactions entered into between a Sponsored Member and either a Netting Member that is not the Sponsoring Member or an Indirect Participant of any Netting Member). FICC is proposing to effectuate this change by revising a number of defined terms and certain sections in Rule 3A to make clear that counterparties to a Sponsored GC Trade do not need to be a Sponsored Member and its Sponsoring Member, but instead can be a Sponsored Member and any Netting Member or its Indirect Participant.

FICC's risk management and liquidity requirements in respect of done-away Sponsored GC Trades would not be different from those in respect of done-away Sponsored DVP Trades. Done-away Sponsored GC Trades would also be subject to all applicable requirements as done-with Sponsored GC Trades. Furthermore, as with existing Sponsored Member Trades, the liquidation provision in Section 18 of Rule 3A would only be applicable to done-with Sponsored GC Trades.⁴¹

In connection with this proposed change, FICC is also proposing to extend the deadline set forth in the Schedule of Sponsored GC Trade Timeframes for (i) full settlement of the Start Leg of Sponsored GC Trades, (ii) substitutions of Purchased GC Repo Securities, and (iii) satisfaction of GC Collateral Return Obligations and cash payment obligations associated with GC Collateral Return Entitlements by GC Funds Lenders and GC Funds Borrowers. The current deadline for these actions is 5:30 p.m. and the proposal would move this deadline to 7:00 p.m. (New York City times), which would align with the close of the Fedwire Funds Service at the Federal Reserve Bank of New York. Currently,

⁴⁰ See Rule 1, *supra* note 3 (defining a Sponsored GC Trade as "a Sponsored Member Trade that is a Repo Transaction between a Sponsored Member and its Sponsoring Member involving securities represented by a Generic CUSIP Number the data on which are submitted to [FICC] by the Sponsoring Member pursuant to the provisions of Rule 6A, for Novation to [FICC] pursuant to Section 7(b)(ii) of Rule 3A" in connection with the Sponsored GC Service; and defining a Sponsored Member Trade as "(a) a transaction that satisfies the requirements of Section 5 of Rule 3A and that is (i) between a Sponsored Member and its Sponsoring Member or (ii) between a Sponsored Member and a Netting Member or (b) a Sponsored GC Trade.").

⁴¹ FICC has proposed rule changes that would include changing the numbering of Section 18 to Section 16 in Rule 3A. See Securities Exchange Act Release No. 103282 (June 17, 2025), 90 FR 26656 (June 23, 2025) (SR-FICC-2025-015).

³⁸ See, e.g., 15 U.S.C. 80a-17(f); Letter from Ken Bentsen, *supra* note 5.

³⁹ See 2024 SIFMA Master Treasury Securities Clearing Agreement: Done-with, Module II, Section 5 ("... Customer and Clearing Member agree that (a) Clearing Member shall satisfy any obligation of Customer to FICC to pay any Funds-Only Settlement Amount in respect of the Customer Sponsored GC Trades; and (b) in consideration of the agreement of Clearing Member not to seek reimbursement of such amount described in clause (a) from Customer, Clearing Member shall be entitled to any Funds-Only Settlement Amount in respect of the Customer Sponsored GC Trades due to Customer from FICC.").

Sponsored GC Trades for which funds are delivered between 5:30 p.m. and 7:00 p.m. do not settle until the next Business Day. Aligning these two deadlines would facilitate additional settlement of Sponsored GC Trades.

(B) Summary of Proposed Rule Changes

Revisions to defined terms. FICC proposes to revise the following defined terms in Rule 1: (1) GC Collateral Return Entitlement, (2) GC Collateral Return Obligation, (3) GC Funds Borrower, (4) GC Funds Lender, (5) Purchased GC Repo Securities, (6) Sponsored GC Trade, and (7) Sponsored Member Trade, each as described in greater detail below.

FICC proposes to revise the definitions of GC Collateral Return Entitlement, GC Collateral Return Obligation, GC Funds Borrower, and GC Funds Lender to (i) replace references to “a Sponsoring Member or Sponsored Member” with references to “a Netting Member or its Indirect Participant”, and (ii) provide that only a Sponsored Member can be the GC Funds Lender and have a GC Collateral Return Obligation in relation to a Sponsored GC CIL Trade.

FICC proposes to revise the definition of Purchased GC Repo Securities to replace references to “Sponsoring Member or Sponsored Member” with references to “GC Funds Borrower.”

FICC proposes to revise the definition of Sponsored GC Trade to replace “its Sponsoring Member” with “a Netting Member or its Indirect Participant” and to eliminate the unnecessary reference therein to Sponsored Member Trade.

FICC proposes to redefine the term Sponsored Member Trade as a transaction that satisfies the requirements of Section 5 of Rule 3A or a Sponsored GC Trade that, in each case, is (i) between a Sponsored Member and its Sponsoring Member or (ii) between a Sponsored Member and another Netting Member or an Indirect Participant of the Sponsoring Member or another Netting Member. FICC would also make conforming changes to the definition of Same-Day Settling Trade to align with these revisions.

Conforming and clarifying changes. FICC proposes to make a number of conforming and clarifying changes in Sections 7, 8, and 16 of Rule 3A, each as described in greater detail below.

FICC proposes to amend Sections 7(b)(iv) and 8(b)(vi) of Rule 3A to replace the references to “Sponsoring Member and Sponsored Member” with references to “GC Funds Borrower and GC Funds Lender”.

FICC proposes to amend Section 8(a)(iii) of Rule 3A to conform to the

revisions being proposed to the definition of Sponsored Member Trade and ensure that the statement regarding the availability of the Pair-Off Service to Sponsored Member Trades other than Sponsored GC Trades be correct.

FICC proposes to amend Section 8(b)(iv) of Rule 3A to make clear that FICC would pay GC Daily Repo Interest to “the GC Funds Lender, if the repo rate is positive for the relevant Sponsored GC Trade, or to the GC Funds Borrower, if the repo rate is negative for the relevant Sponsored GC Trade,” instead of paying such interest to “the GC Funds Lender or GC Funds Borrower, as applicable.”

FICC proposes to amend Section 16(a) of Rule 3A to provide that the liquidation mechanism under Section 16 is only applicable to done-with transactions, *i.e.*, Sponsored Member Trades between a Sponsored Member and its Sponsoring Member.

Implementation Timeframe

Subject to approval by the Commission, FICC would implement the proposed rule change by no later than 6 months after approval. FICC would announce the effective date of the proposed changes by an Important Notice posted to its website.

2. Statutory Basis

FICC believes these proposed changes are consistent with the requirements of the Act, and the rules and regulations thereunder applicable to FICC. Specifically, FICC believes that the proposed changes are consistent with Section 17A(b)(3)(F) of the Act,⁴² and Rule 17ad-22(e)(4)(i),⁴³ Rule 17ad-22(e)(6),⁴⁴ Rule 17ad-22(e)(18)(ii),⁴⁵ Rule 17ad-22(e)(18)(iv)(C),⁴⁶ Rule 17ad-22(e)(19),⁴⁷ and Rule 17ad-22(e)(23)(ii),⁴⁸ as promulgated under the Act, for the reasons stated below.

Section 17A(b)(3)(F) of the Act requires, in part, that the Rules be designed 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.⁴⁹ The proposed amendments would not provide FICC with custody of any additional securities. The Purchased GC Repo Securities would remain in the custody of the Sponsored GC Clearing Agent Bank, in the Buyer's GC CIL Trade Account. However, the proposed

CIL Custodial Agreement Supplement would provide FICC with “control” of Purchased GC Repo Securities subject to a Sponsored GC CIL Trade as a matter of the Uniform Commercial Code as in effect in the State of New York.⁵⁰

FICC believes that the proposed rule changes are designed to assure the safeguarding of the Purchased GC Repo Securities subject to its control. As noted above, FICC's lien and control are specifically designed so that FICC can complete settlement of Sponsored GC CIL Trades even in a default of the CIL Funds Lender or Sponsoring Member. In furtherance of the foregoing, the CIL Custodial Agreement Supplement and proposed changes to the text of the Rules would only permit FICC to instruct the transfer of the Purchased GC Repo Securities out of the Buyer's GC CIL Trade Account if such transfer is in connection with the transfer of any Margin Excess Amount or in the amount equal to any cash due to the CIL Funds Lender. Furthermore, the CIL Custodial Agreement Supplement would prohibit any withdrawals of the Purchased GC Repo Securities by the CIL Funds Lender other than to allow for ordinary course settlement, in a Corporation Default, or in respect of securities that FICC does not intend to use to complete settlement with the GC Funds Borrower on the Sponsored GC CIL Trade. Accordingly, the proposed changes would ensure that the Purchased GC Repo Securities subject to FICC's control remain safeguarded in the Buyer's GC CIL Trade Account at the Sponsored GC Clearing Agent Bank until such time as they are needed for settlement or the Sponsored GC CIL Trade is terminated.

More broadly, the proposed changes are designed to ensure that FICC calculates and has sufficient resources to cover potential losses from a default on a done-away Sponsored GC Trade or on a Sponsored GC CIL Trade. Under the proposed rule changes, non-CIL done-away Sponsored GC Trades, which FICC believes present the same market risk as done-with Sponsored GC Trades, would be subject to the same margin requirements as done-with Sponsored GC Trades. The Commission found last year that such margin requirements “limit FICC's risk to a Netting Member or indirect participant default and thereby enhance its ability to safeguard securities and funds in its control and for which it is responsible.”⁵¹

In the case of Sponsored GC CIL Trades, FICC's perfected security

⁴² 15 U.S.C. 78q-1(b)(3)(F).

⁴³ 17 CFR 240.17ad-22(e)(4)(i).

⁴⁴ 17 CFR 240.17ad-22(e)(6).

⁴⁵ 17 CFR 240.17ad-22(e)(18)(ii).

⁴⁶ 17 CFR 240.17ad-22(e)(18)(iv)(C).

⁴⁷ 17 CFR 240.17ad-22(e)(19).

⁴⁸ 17 CFR 240.17ad-22(e)(23)(ii).

⁴⁹ 15 U.S.C. 78q-1(b)(3)(F).

⁵⁰ UCC 8-106(d)(2).

⁵¹ See Securities Exchange Act Release No. 101695 (Nov. 21, 2024), 89 FR 93763 (Nov. 27, 2024) (SR-FICC-2024-007).

interest in the Purchased GC Repo Securities subject to the Sponsored GC CIL Trades, as supplemented by the Clearing Fund posted by the Sponsoring Member for its Sponsored GC CIL Omnibus Account, the mandatory CIL Required Haircut, and any Sponsored GC CIL Omnibus Account Required Fund Deposit, is designed to ensure that FICC has sufficient resources to address a default of a CIL Funds Lender or its Sponsoring Member. As noted above, the perfected security interest as well as FICC's right to instruct the Sponsored GC Clearing Agent Bank in relation to such securities would ensure that FICC can settle with the GC Funds Borrower in a CIL Funds Lender default or the default of its Sponsoring Member, provided that the Sponsoring Member or its Indirect Participant is not the GC Funds Borrower. If the Sponsoring Member or its Indirect Participant is the GC Funds Borrower, FICC may need to terminate the Sponsored GC Trade in whole or in part and rely upon the Sponsoring Member's Clearing Fund, the CIL Required Haircut, or the Sponsored GC CIL Omnibus Account Required Fund Deposit to cover any losses resulting from the liquidation. Such amounts, however, would never be less than the Clearing Fund FICC would have available for a Sponsored GC Trade. FICC therefore believes that the proposed changes would enhance its ability to safeguard funds and securities which are in the custody or control of FICC or for which it is responsible.

Section 17A(b)(3)(F) of the Act also requires that the Rules be designed to foster cooperation and coordination with persons engaged in the clearance and settlement of securities transactions, remove impediments to and perfect the mechanism of a national system for the prompt and accurate clearance and settlement of securities transactions, and, in general, protect investors and the public interest.⁵² FICC believes that the proposed changes are designed to meet these goals.

First, FICC understands from its engagement with market participants that there are currently a number of constraints on the ability of RICs and other cash providers to access FICC's clearance and settlement services, including (i) the "double margining" arising from RICs' need for haircuts and inability to post margin to FICC, (ii) the capital requirements associated with providing the Sponsoring Member Guaranty, and (iii) the limitations on a Sponsoring Member's ability to submit to FICC transactions entered into through joint trading accounts. By

creating the CIL Service, FICC would eliminate "double margining" by taking a perfected security interest in the Purchased GC Repo Securities in lieu of some or all of the required margin. The lien would also allow FICC not to require a Sponsoring Member to guarantee the obligations of a CIL Funds Lender under a Sponsored GC CIL Trade. The elimination of such guarantee requirement would have substantial capital savings for the Sponsoring Member (and corresponding cost savings for the CIL Funds Lender). FICC would also accommodate the clearance and settlement of Sponsored GC CIL Trades entered into through a joint trading account even before such transactions have been allocated. Accordingly, the proposed changes are designed to remove these impediments for RICs and other cash providers to access FICC's clearance and settlement services.

Second, FICC understands from its engagement with market participants that Sponsoring Members typically agree to assume a Sponsored Member's Funds-Only Settlement Amount obligations, and to receive a Sponsored Member's Funds-Only Settlement Amount entitlements, under Sponsored GC Trades to address operational and regulatory concerns of RICs and other cash providers. However, as mentioned above, FICC believes that it may be infeasible or expensive for Sponsoring Members to do this on a broader scale, particularly in relation to term transactions or done-away ones. This is because the capital, liquidity, and cost consequences of satisfying a Sponsored Member's Funds-Only Settlement Amount obligations in relation to term or done-away transactions may be substantially greater than for done-with overnight transactions. Furthermore, any such costs would ultimately not outweigh the benefits of exchanging Funds-Only Settlement Amounts with a CIL Funds Lender (or its Sponsoring Member) considering FICC's proposed lien on the Purchased GC Repo Securities and right to instruct the Sponsored GC Clearing Agent Bank in relation to such securities would obviate the risk that such Funds-Only Settlement Amounts are designed to address. Accordingly, FICC believes that eliminating the need for FICC to exchange Funds-Only Settlement Amounts with CIL Funds Lenders would remove potential impediments that could limit access to FICC's clearance and settlement systems.

Third, FICC understands from its engagement with market participants that a robust done-away clearing market can promote market liquidity by

allowing for all-to-all trading. In addition, done-away clearing can eliminate the substantial time and expenses of RICs and other cash providers needing to enter into clearing documentation with each and every one of their trading counterparties. The proposed changes to provide for the clearing of done-away Sponsored GC Trades would therefore promote cooperation and coordination with persons engaged in the clearance and settlement of securities transactions, perfect the mechanism of a national system for the prompt and accurate clearance and settlement of securities transactions, and protect the public interest.

Given the foregoing, FICC believes the proposed changes are designed to foster cooperation and coordination with persons engaged in the clearance and settlement of securities transactions, remove impediments to and perfect the mechanism of a national system for the prompt and accurate clearance and settlement of securities transactions, and in general, protect investors and the public interest, consistent with Section 17A(b)(3)(F) of the Act.⁵³

Rule 17ad-22(e)(4)(i) under the Act requires that FICC establish, implement, maintain, and enforce written policies and procedures reasonably designed to effectively identify, measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes by maintaining sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence.⁵⁴ FICC believes the proposed changes are consistent with this requirement.

First, the proposed changes relating to the risk and default management mechanism for the CIL Service, *i.e.*, FICC's perfected security interest in the Purchased GC Repo Securities subject to the Sponsored GC CIL Trades, supplemented by the Clearing Fund for the Sponsoring Member's Sponsoring Member Omnibus Account, the mandatory CIL Required Haircut, and the Sponsored GC CIL Omnibus Account Required Fund Deposit requirement, would ensure both that the quantum of resources accessible by FICC to manage the default on a Sponsored GC CIL Trade would accurately reflect FICC's credit exposures to participants in the CIL Service and that FICC would be able to use such resources to cover its exposure in the event of a default by the CIL Funds Lender or its Sponsoring

⁵³ *Id.*

⁵⁴ 17 CFR 240.17ad-22(e)(4)(i).

⁵² 15 U.S.C. 78q-1(b)(3)(F).

Member. Second, under the proposed changes, the done-away Sponsored GC Trades (other than Sponsored GC CIL Trades), which present the same credit and market risk profile as done-with Sponsored GC Trades, would be margined and risk managed in the same manner as done-with Sponsored GC Trades using methodologies that have been approved by the Commission. Meanwhile, done-away Sponsored GC Trades, which present the same liquidity risks as other done-away transactions, would be treated identically to such other done-away transactions for purposes of calculating a Sponsoring Member's Capped Contingency Liquidity Facility obligations. Therefore, collectively, these changes would enhance the ability of FICC to manage the risk of the transactions it clears and settles and cover its credit exposure to its participants with a high degree of confidence.

Rule 17ad-22(e)(6) 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.⁵⁵ The proposed changes would provide FICC with enough margin to ensure it will have sufficient resources to perform to non-defaulting participants in a participant default. In particular, the proposed changes would provide FICC, in the form of Purchased GC Repo Securities and Clearing Fund deposits, with resources to address a CIL Funds Lender default that are equal to, or in excess of, the resources FICC calculates using its established and approved risk-based models as necessary to address the default of a Sponsored Member under a Sponsored GC Trade. Accordingly, the proposed changes would ensure FICC covers its credit exposures to its participants.

Rule 17ad-22(e)(18)(ii) under the Act requires FICC to establish, implement, maintain and enforce written policies and procedures reasonably designed to establish objective, risk-based, and publicly disclosed criteria for participation, which require participants to have sufficient financial resources and robust operational capacity to meet obligations arising from participation in FICC.⁵⁶ The proposed changes—which would (i) not impose margin requirements for Sponsored GC CIL Trades except for Sponsored GC CIL Omnibus Account Required Fund Deposit, if any, and (ii) make done-away

Sponsored GC Trades (other than Sponsored GC CIL Trades) subject to FICC's existing margin requirements applicable to done-with Sponsored GC Trades—would provide objective, risk-based, and publicly disclosed criteria for Sponsoring Members that would clear Sponsored GC CIL Trades or done-away Sponsored GC Trades for customers regarding the specific margin requirements to which they would be subject. In addition, the requirement for CIL Funds Lenders to execute a CIL Custodial Agreement Supplement as prescribed by FICC would further provide objective, risk-based, and publicly disclosed criteria for CIL Funds Lenders, the GC Funds Borrowers, and, if applicable, their Sponsoring Members on certain operational requirements for participating in the CIL Service as well as FICC's lien on the Purchased GC Repo Securities subject to the Sponsored GC CIL Trades. Therefore, collectively, the proposed changes would improve public disclosure for participation in FICC's services, including with respect to the relevant financial and operational requirements in connection with Sponsored GC CIL Trades.

Rule 17ad-22(e)(18)(iv)(C) requires, in part, that FICC establish, implement, maintain and enforce written policies and procedures reasonably designed to ensure that it has appropriate means to facilitate access to clearance and settlement services of all eligible secondary market transactions in U.S. Treasury securities, including those of indirect participants.⁵⁷ FICC believes that the proposed changes would very much facilitate access to its clearing and settlement services for ESMTs by eliminating or ameliorating certain existing impediments to access that RICs and other cash providers face.

First, FICC's security interest in the Purchased GC Repo Securities would eliminate the "double margining" that increases the costs (and thereby decreases the ability of) a Sponsoring Member to provide clearance and settlement services to RICs and other cash providers. The lien would also eliminate the need for the Sponsoring Member to guarantee the obligations of a CIL Funds Lender. FICC understands from its engagement with market participants that eliminating the guarantee would reduce the capital requirements associated with a Sponsoring Member providing access to FICC's clearance and settlement systems, and thus the costs of providing such access.

Second, the CIL Service would allow a Sponsoring Member to submit to FICC for clearance and settlement transactions that have been entered into by multiple RICs or other CIL Funds Lenders using a joint trading account. Such transactions may be ineligible for submission to FICC today because investment advisers are unable to complete final allocations to individual cash providers by the FICC submission deadline. As a result, the proposed changes would facilitate the ability of RICs and other cash providers to access FICC's clearance and settlement services in relation to transactions that they are currently only able to clear bilaterally.

Third, the CIL Service would not provide for FICC to exchange Funds-Only Settlement Amounts with a CIL Funds Lender (or its Sponsoring Member). FICC believes this would facilitate access by eliminating the possibility of such Funds-Only Settlement Amount obligations and entitlements giving rise to operational or regulatory impediments for RICs, other cash providers, and their Sponsoring Members. As such, FICC believes that adding the CIL Service would facilitate access to clearance and settlement services of all eligible secondary market transactions in U.S. Treasury securities, including those of indirect participants.⁵⁸

Fourth, the inclusion of language in the Rules and the CIL Custodial Agreement Supplement of various provisions to facilitate the ability of RICs acting as CIL Funds Lenders to conclude that Sponsored GC CIL Trades are "Collateralized Fully" within the meaning of Investment Company Act Rule 5b-3 would allow RICs to access FICC's clearance and settlement services consistently with their regulatory obligations.

FICC also believes that the proposed changes to provide for clearing of done-away Sponsored GC Trades and to extend its settlement deadline for Sponsored GC Trades would promote access to FICC's clearance and settlement systems in respect of ESMTs. Currently, a Sponsoring Member may submit only done-with transactions to FICC under the Sponsored GC Service. Allowing for the submission of done-away transactions would facilitate greater access by allowing a Sponsoring Member to submit more of their ESMTs and to do so without entering into clearing agreements with each of their execution counterparties. The proposed change to align FICC's settlement and substitution deadlines for Sponsored GC Trades with the close of the Fedwire

⁵⁵ 17 CFR 240.17ad-22(e)(6).

⁵⁶ 17 CFR 240.17ad-22(e)(18)(ii).

⁵⁷ 17 CFR 240.17ad-22(e)(18)(iv)(C).

⁵⁸ *Id.*

Funds Service at 7:00 p.m. (New York City time) would support the settlement of additional tri-party activity and, therefore, also promote access to FICC's clearance and settlement systems in respect of ESMTs. As such, FICC believes that providing for done-away Sponsored GC Trades and extending its settlement and substitution deadline for Sponsored GC Trades, as described above, would facilitate access to clearance and settlement services of all eligible secondary market transactions in U.S. Treasury securities.⁵⁹

Rule 17ad-22(e)(19) under the Act requires that FICC establish, implement, maintain and enforce written policies and procedures reasonably designed to identify, monitor, and manage the material risks to the covered clearing agency arising from arrangements in which firms that are indirect participants in the covered clearing agency rely on the services provided by direct participants to access the covered clearing agency's payment, clearing, or settlement facilities.⁶⁰ The proposed changes relating to the CIL Service contain specific risk management features relating to FICC's exposure from CIL Funds Lenders, including (i) a lien on the Purchased GC Repo Securities subject to the Sponsored GC CIL Trades that would allow FICC to settle with the GC Funds Borrower even in a CIL Funds Lender default, (ii) clear provisions describing how FICC would enforce remedies and otherwise address such a default, and (iii) the Clearing Fund, mandatory CIL Required Haircut, and Sponsored GC CIL Omnibus Account Required Fund Deposit that FICC would require to ensure it has sufficient resources to cover simultaneous default of both a CIL Funds Lender and its Sponsoring Member. Accordingly, the proposed changes would promote FICC's ability to identify, monitor, and manage the material risks arising from indirect participants' access its payment, clearing, or settlement facilities.

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 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.⁶¹ As described above, the proposed changes would include clear provisions on the parameters of the CIL Service (including who could act as a CIL Funds Lender, the

requirement to execute a CIL Custodial Agreement Supplement, the treatment of Funds-Only Settlement Amounts, and the use of joint trading accounts) as well as how the Sponsored GC CIL Trades would be risk managed. In addition, the proposed changes relating to done-away Sponsored GC Trades would clarify that such transactions would be subject to all applicable requirements to done-with Sponsored GC Trades, except that the Start Leg of a done-away Sponsored GC Trade would be eligible for Novation and the liquidation provision in Section 16 of Rule 3A would only be applicable to done-with Sponsored GC Trades. These changes would accordingly provide clarity to market participants to enable them to evaluate the risks and costs of participating in the CIL Service or clearing done-away Sponsored GC Trades consistent with Rule 17ad-22(e)(23)(ii).

(B) Clearing Agency's Statement on Burden on Competition

FICC believes that the proposed changes would promote competition by addressing some of the conditions that make it more difficult and more expensive for RICs than for certain other cash providers to access FICC's clearance and settlement system. As mentioned above, due to their regulatory requirements, including in particular the requirement to collect haircuts and the limitations on posting margin to FICC under the Investment Company Act, cleared transactions with RICs are subject to "double margining." Such double margining makes it more expensive for Sponsoring Members to offer RICs access to clearing relative to some other cash providers. By eliminating the double margining through its security interest on the Purchased GC Repo Securities, FICC believes the CIL Service would promote competition between RICs and other cash providers and place them on a more level playing field.

Furthermore, FICC believes that the proposed changes would encourage the submission of a greater number and variety of securities transactions, including, in particular, transactions executed by a Joint Account Agent on behalf of multiple Sponsored Members. As described above, many RICs currently execute ESMTs through "joint trading accounts" to achieve administrative efficiencies. However, a Sponsoring Member cannot generally submit such a transaction for central clearing because the Joint Account Agent is typically unable to complete the final allocation by the FICC submission deadline. By eliminating the need for a CIL Joint Account Agent to

render such allocation prior to submission, the proposed CIL Service would promote competition because it would encourage Sponsored Members, RICs and other cash providers to submit to FICC a greater number and variety of securities transactions.

FICC believes that the proposed changes to provide for the clearing of done-away Sponsored GC Trades would also promote competition because they would incentivize Sponsoring Members to offer clearing services for such transactions and facilitate RICs and other cash providers access to clearance and settlement services, causing them to enter into a greater number of done-away Sponsored GC Trades and submit such trades to FICC for clearance and settlement.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

FICC reviewed the proposed rule change with Sponsoring Members and Sponsored Members in order to benefit from their expertise. Written comments relating to this proposed rule change received in connection with such outreach included feedback to the proposal provided by counsel to an industry association representing regulated investment funds. Such written comments included (i) recommendations for certain changes to the text of proposed rule changes and the required terms for a CIL Custodial Agreement Supplement so as to facilitate the ability of RICs to conclude that Sponsored GC CIL Trades are "Collateralized Fully" within the meaning of Investment Company Act Rule 5b-3, and (ii) certain operational questions related to the CIL Service. These comments and questions have been resolved, which resolution is reflected in the proposed rule changes described.

If any additional written comments are received by FICC, 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

⁵⁹ *Id.*

⁶⁰ 17 CFR 240.17ad-22(e)(19).

⁶¹ 17 CFR 240.17ad-22(e)(23)(ii).

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.

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-2025-019 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-FICC-2025-019. 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 (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-2025-019 and should be submitted on or before October 6, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶²

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025-17729 Filed 9-12-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meetings

TIME AND DATE: 12:30 p.m. on Thursday, September 18, 2025.

PLACE: The meeting will be held via remote means and at the Commission's headquarters, 100 F Street NE, Washington, DC 20549.

STATUS: This meeting will be closed to the public.

MATTERS TO BE CONSIDERED:

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters also may be present.

In the event that the time, date, or location of this meeting changes, an announcement of the change, along with the new time, date, and/or place of the meeting will be posted on the Commission's website at <https://www.sec.gov>.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (6), (7), (8), 9(B) and (10) and 17 CFR 200.402(a)(3), (a)(5), (a)(6), (a)(7), (a)(8), (a)(9)(ii) and (a)(10), permit consideration of the scheduled matters at the closed meeting.

The subject matter of the closed meeting will consist of the following topics:

Institution and settlement of injunctive actions;

Institution and settlement of administrative proceedings;

Resolution of litigation claims; and

Other matters relating to examinations and enforcement proceedings.

At times, changes in Commission priorities require alterations in the scheduling of meeting agenda items that

may consist of adjudicatory, examination, litigation, or regulatory matters.

CONTACT PERSON FOR MORE INFORMATION: For further information, please contact Vanessa A. Countryman from the Office of the Secretary at (202) 551-5400.

(Authority: 5 U.S.C. 552b.)

Dated: September 11, 2025.

Vanessa A. Countryman,
Secretary.

[FR Doc. 2025-17817 Filed 9-11-25; 4:15 pm]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103929; File No. SR-CboeBZX-2025-036]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Designation of a Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To Amend the Rules Governing the Listing and Trading of Shares of the Franklin Ethereum ETF To Permit Staking Under Rule 14.11(e)(4) (Commodity-Based Trust Shares)

September 10, 2025.

On March 10, 2025, Cboe BZX Exchange, Inc. ("BZX") 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 amend the rules governing the listing and trading of shares of the Franklin Ethereum ETF under BZX Rule 14.11(e)(4). The proposed rule change was published for comment in the **Federal Register** on March 18, 2025.³

On April 29, 2025, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁵ On June 16, 2025, the Commission initiated

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 102632 (Mar. 12, 2025), 90 FR 12611. Comments received on the proposed rule change are available at: <https://www.sec.gov/comments/sr-cboebzx-2025-036/srcboebzx2025036.htm>.

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 102948, 90 FR 19040 (May 5, 2025). The Commission designated June 16, 2025, as the date by which the Commission shall approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

⁶² 17 CFR 200.30-3(a)(12).

proceedings under Section 19(b)(2)(B) of the Act⁶ to determine whether to approve or disapprove the proposed rule change.⁷

Section 19(b)(2) of the Act⁸ provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for comment in the **Federal Register** on March 18, 2025.⁹ The 180th day after publication of the proposed rule change is September 14, 2025. The Commission is extending the time period for approving or disapproving the proposed rule change for an additional 60 days.

The Commission finds that it is appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, and the issues raised therein. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,¹⁰ designates November 13, 2025, as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR–CboeBZX–2025–036).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–17721 Filed 9–12–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103931; File No. SR–NYSE–2025–20]

Self-Regulatory Organizations; New York Stock Exchange LLC; Order Instituting Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change Amending Section 302.00 of the NYSE Listed Company Manual To Exempt Closed-End Funds Registered Under the Investment Company Act of 1940 From the Requirement To Hold Annual Shareholder Meetings

September 10, 2025.

I. Introduction

On June 6, 2025, the New York Stock Exchange LLC (“NYSE” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act”)¹ and Rule 19b–4 thereunder,² a proposed rule change to amend Section 302.00 of the NYSE Listed Company Manual (“Manual”) to exempt closed-end funds registered under the Investment Company Act of 1940 (“1940 Act”)³ from the requirement to hold annual shareholder meetings. The proposed rule change was published for comment in the **Federal Register** on June 17, 2025.⁴ On July 25, 2025, pursuant to Section 19(b)(2) of the Exchange Act,⁵ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁶ The Commission is instituting proceedings pursuant to Section 19(b)(2)(B) of the Exchange Act⁷ to determine whether to approve or disapprove the proposed rule change.

II. Description of the Proposed Rule Change

Section 102.04A of the Manual sets forth listing requirements for closed-end

management investment companies registered under the 1940 Act (“CEFs”). Section 302.00 of the Manual (“Section 302.00”) provides that companies listing common stock or voting preferred stock and their equivalents are required to hold an annual shareholders’ meeting for the holders of such securities during each fiscal year. Section 302.00 also sets forth certain exemptions from this annual shareholder meeting requirement.⁸ CEFs listed on the Exchange are currently required to comply with the Section 302.00 annual shareholder meeting requirement and are not subject to an exemption. The Exchange proposes to amend Section 302.00 to exempt CEFs listed under Section 102.04A of the Manual that initially list on the Exchange after the date of approval of this proposal from the requirement to hold an annual shareholder meeting.⁹ The Exchange states that any CEF listed prior to approval of the proposal would remain subject to the Exchange’s annual shareholder meeting requirement.¹⁰ The Exchange states that an existing CEF that merges or reorganizes into a new CEF will be subject to the by-laws and listing standards applicable to the new fund.¹¹

III. Proceedings To Determine Whether To Approve or Disapprove SR–NYSE–2025–20 and Grounds for Disapproval Under Consideration

The Commission is instituting proceedings pursuant to Section

⁸ Specifically, Section 302.00 exempts from this requirement companies whose only securities listed on the Exchange are non-voting preferred and debt securities, passive business organizations (such as royalty trusts), or securities listed pursuant to NYSE Rule 5.2(j)(2) (Equity Linked Notes), Rule 5.2(j)(3) (Investment Company Units), Rule 5.2(j)(4) (Index-Linked Exchangeable Notes), Rule 5.2(j)(5) (Equity Gold Shares), Rule 5.2(j)(6) (Equity-Index Linked Securities, Commodity-Linked Securities, Currency-Linked Securities, Fixed Income Index-Linked Securities, Futures-Linked Securities and Multifactor Index-Linked Securities), Rule 5.2(j)(8) (Exchange-Traded Fund Shares), Rule 8.100 (Portfolio Depositary Receipts), Rule 8.200 (Trust Issued Receipts), Rule 8.201 (Commodity-Based Trust Shares), Rule 8.202 (Currency Trust Shares), Rule 8.203 (Commodity Index Trust Shares), Rule 8.204 (Commodity Futures Trust Shares), Rule 8.300 (Partnership Units), Rule 8.400 (Paired Trust Shares), Rule 8.600 (Managed Fund Shares), Rule 8.601 (Active Proxy Portfolio Shares), Rule 8.700 (Managed Trust Securities), and Rule 8.900 (Managed Portfolio Shares).

⁹ The Exchange lists closed-end management investment companies that have filed an election to be treated as a business development company under the 1940 Act (“BDCs”) under Section 102.04B of the Manual. The Exchange is not proposing to exempt BDCs listed under Section 102.04B of the Manual from the annual shareholder meeting requirement set forth in Section 302.00. See Notice, *supra* note 4, at 25660.

¹⁰ See *id.*

¹¹ See *id.* at 25662 n.36.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ 15 U.S.C. 80a–1 *et seq.*

⁴ See Securities Exchange Act Release No. 103244 (June 12, 2025), 90 FR 25659 (“Notice”). Comments on the proposed rule change are available at: <https://www.sec.gov/comments/sr-nyse-2025-20/smyse202520.htm>.

⁵ 15 U.S.C. 78s(b)(2).

⁶ See Securities Exchange Act Release No. 103549, 90 FR 35946 (July 30, 2025). The Commission designated September 15, 2025, as the date by which the Commission shall approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

⁷ 15 U.S.C. 78s(b)(2)(B).

⁸ 15 U.S.C. 78s(b)(2)(B).

⁹ See Securities Exchange Act Release No. 103259, 90 FR 26376 (June 20, 2025).

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ See *supra* note 3 and accompanying text.

¹² 15 U.S.C. 78s(b)(2).

¹³ 17 CFR 200.30–3(a)(57).

19(b)(2)(B) of the Exchange Act¹² to determine whether the proposed rule change should be approved or disapproved. Institution of proceedings is appropriate at this time in view of the legal and policy issues raised by the proposed rule change. Institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved.

Pursuant to Section 19(b)(2)(B) of the Exchange Act,¹³ the Commission is providing notice of the grounds for disapproval under consideration. The Commission is instituting proceedings to allow for additional analysis of the proposed rule change's consistency with the Exchange Act and, in particular, with Section 6(b)(5) of the Exchange Act, which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest, and not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.¹⁴

The development and enforcement of meaningful corporate governance exchange listing standards is of substantial importance to financial markets and the investing public, especially given investor expectations regarding the nature of companies that have achieved an exchange listing for their securities and the role of an exchange in overseeing its market and ensuring compliance with its listing standards.¹⁵ The corporate governance standards embodied in exchange listing standards play an important role in assuring that listed companies observe good governance practices, including

safeguarding the interests of shareholders.¹⁶

In particular, the Commission has consistently recognized the importance of the annual shareholder meeting requirement to the protection of investors and the public interest.¹⁷ Among other things, annual shareholder meetings allow the shareholders of a company the opportunity to elect directors and meet with, and engage, management to discuss company affairs.¹⁸ The Commission has recognized that, in limited circumstances, the exchange requirement to hold an annual shareholder meeting may not be necessary for certain issuers of specific types of securities where the holders of such securities do not directly

participate as equity holders or vote in the annual election of directors or generally on the affairs, operations, or policies of the listed company.¹⁹ However, when approving a prior Exchange proposal for specific exemptions from the annual shareholder meeting requirement, which included an exemption for exchange-traded funds ("ETFs"), the Commission expressly stated that CEFs are still required to hold annual meetings under Section 302.00.²⁰

The Exchange states in support of its proposal that there are significant statutory protections under the 1940 Act provided to the shareholders of CEFs, for which there are no parallel legal protections for shareholders of public operating companies, and that these protections justify exempting listed CEFs from the Exchange's annual shareholder meeting requirement.²¹ Specifically, the shareholder protections applicable to CEFs include requirements with respect to the election of directors by CEF shareholders, a requirement that directors who are not "interested persons"²² comprise at least 40% of the board, requirements that certain specified material matters be approved by a majority of the directors who are not "interested persons," and requirements that certain specified material matters be approved by the shareholders.²³

The Exchange also states that all other categories of investment companies for which the Exchange has listing standards are already exempt from the annual shareholder meeting

¹⁶ See e.g., NYSE 2023 Order at 116; NASDAQ Order at 70678; Securities and Exchange Act Release No. 91517 (Apr. 14, 2021), 86 FR 20556 (Apr. 20, 2021) (SR-NASDAQ-2020-100) (Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, to Modify the Quorum Requirement). Strong qualitative corporate governance requirements that serve to safeguard the interests of public shareholders are consistent with Section 6(b)(5) of the Exchange Act, in that they are, among other things, designed to protect investors and the public interest. See, e.g., Securities Exchange Act Release Nos. 48108 (June 30, 2003), 68 FR 39995, 40005 (July 3, 2003) (SR-NYSE-2002-46 and SR-NASD-2002-140) (Order Approving NYSE and Nasdaq Proposed Rule Changes and Notice of Filing and Order Granting Accelerated Approval to NYSE Amendments No. 1 and 2 and Nasdaq Amendments No. 2 and 3 Thereto Relating to Equity Compensation Plans) (stating that the exchanges' proposals, which require shareholder approval of equity compensation plans, should have the effect of safeguarding the interests of shareholders); 65225 (Aug. 30, 2011), 76 FR 55148, 55152 (Sept. 6, 2011) (SR-BATS-2011-018) (Order Approving Proposed Rule Change to Adopt Rules for the Qualification, Listing and Delisting of Companies on the Exchange) (stating that qualitative listing requirements, including shareholder approval rules, are designed to ensure that companies trading on a national securities exchange will adequately protect the interest of public shareholders).

¹⁷ The Commission has stated that the right of shareholders to vote at an annual meeting is an essential and important one. See, e.g., Securities Exchange Act Release Nos. 86406 (July 18, 2019), 84 FR 35431, 35432 (July 23, 2019) (SR-NYSE-2019-20) (Order Granting Approval of a Proposed Rule Change Amending Section 302 of the Listed Company Manual To Provide Exemptions for the Issuers of Certain Categories of Securities From the Obligation To Hold Annual Shareholders' Meetings) ("NYSE 2019 Order"); 57268 (Feb. 4, 2008), 73 FR 7614, 7616 (Feb. 8, 2008) (SR-Amex-2006-31) (Order Approving Proposed Rule Change, as Modified by Amendment Nos. 1, 2, and 3 Thereto, Relating to Annual Shareholder Meeting Requirements) ("Amex Order").

¹⁸ See, e.g., Amex Order at 7614; Securities Exchange Act Release No. 53578 (Mar. 30, 2006), 71 FR 17532 (Apr. 6, 2006) (SR-NASD-2005-073) (Order Granting Approval of a Proposed Rule Change and Amendment Nos. 1 and 2 Thereto and Notice of Filing and Order Granting Accelerated Approval of Amendment No. 3 Thereto Relating to Rule 4350(e) To Amend the Annual Shareholder Meeting Requirement) ("NASD Order").

¹⁹ See NYSE 2019 Order at 35432; Amex Order at 7616. See also NASD Order at 17533. The Commission has also stated that where an exchange has exempted issuers of certain categories of securities from the exchange requirement to hold an annual meeting, such issuers would remain subject to any applicable state and federal securities laws that relate to annual meetings and may still be required to hold annual shareholder meetings in accordance with such state and federal securities laws. See NYSE 2019 Order at 35432; Amex Order at 7616; NASD Order at 17533. In addition, such issuers would remain subject to state and federal securities laws that may require other types of shareholder meetings, such as special meetings of shareholders. See NYSE 2019 Order at 35432; NASD Order at 17533. The Commission has also stated that the exemptions apply only with respect to particular securities, and that if a company also lists other common stock or voting preferred stock, or their equivalent, such company must nevertheless hold an annual meeting for the holders of such securities during each fiscal year. See NYSE 2019 Order at 35433; Amex Order at 7616; NASD Order at 17533.

²⁰ See NYSE 2019 Order at 35433 n.20.

²¹ See Notice, *supra* note 4, at 25660-61.

²² The term "interested person" is defined in Section 2(a)(19) of the 1940 Act, 15 U.S.C. 80a-2(a)(19).

²³ See Notice, *supra* note 4, at 25660-61.

¹² 15 U.S.C. 78s(b)(2)(B).

¹³ See *id.*

¹⁴ 15 U.S.C. 78f(b)(5).

¹⁵ See, e.g., Securities Exchange Act Release Nos. 99238 (Dec. 26, 2023), 89 FR 113, 116 (Jan. 2, 2024) (SR-NYSE-2023-34) (Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of Proposed Rule Change, as Modified by Amendment No. 1, Amending Sections 312.03(b) and 312.04 of the NYSE Listed Company Manual To Modify the Circumstances Under Which a Listed Company Must Obtain Shareholder Approval of a Sale of Securities Below the Minimum Price to a Substantial Security Holder of the Company) ("NYSE 2023 Order"); 100816 (Aug. 26, 2024), 89 FR 70674, 70677-78 (Aug. 30, 2024) (SR-NASDAQ-2024-019) (Order Granting Approval of a Proposed Rule Change, to Rules 5605, 5615 and 5810 To Amend Phase-In Schedules for Certain Corporate Governance Requirements and Applicability of Certain Cure Periods) ("Nasdaq Order").

requirement of Section 302.00.²⁴ According to the Exchange, the tendency for CEFs to trade at a discount to NAV represents an “operational characteristic, rather than a flaw of the listed CEF structure” that many investors recognize as buying opportunities, and investors purchasing and reinvesting in CEFs indicates that many shareholders invest in CEFs primarily for yield and distributions rather than any expectation of exiting at NAV.²⁵ The Exchange also states that the annual shareholder meeting requirement is superfluous for any discount management reason because independent directors, which CEFs are required to have under the 1940 Act, oversee discounts and can enact changes to address such discounts, if necessary.²⁶

The Exchange states that eliminating the annual shareholder meeting requirement would not significantly disadvantage retail shareholders, as retail shareholder participation in annual meetings is limited and, when retail shareholders do participate, they typically endorse the CEF’s current investment approach, management team, and board structure.²⁷ In addition, the Exchange states that removing the annual shareholder meeting requirement for newly-listed CEFs will remove the opportunity for concentrated minority shareholders to wield disproportionate influence over CEFs and will facilitate capital formation by

bringing more CEFs to the public market.²⁸

Finally, the Exchange states that its proposal will ensure that no existing CEF shareholders lose any voting privileges they currently possess because the proposal only applies to CEFs listed after approval of the proposed rule change.²⁹ The Exchange states that CEFs listed after approval of the proposed rule change would retain the flexibility to voluntarily incorporate annual meeting provisions into their organizational bylaws should they elect to do so.³⁰

The Commission received comments supporting the proposal.³¹ One commenter stated that CEFs are investment vehicles that allow retail investors to access the private equity markets while still being afforded protections under the 1940 Act.³² Because these products are not designed to provide for daily investor redemptions, managers are able to fully invest in an underlying investment strategy that may focus on less liquid investments.³³ This commenter stated that certain shareholders have engaged in practices that undermine these purposes, and that removing the annual shareholder meeting for CEFs would eliminate the ability of such shareholders to use annual shareholder meetings as a means to take over funds.³⁴ This commenter also stated that certain investors exploit the current annual shareholder meeting requirement for their own gain—for example, by forcing a liquidity event

and then exiting their position, but not focusing on any change to governance.³⁵ This commenter further stated that removing the annual shareholder meeting requirement would hamper the ability of certain shareholders to engage in activity that prevents the capital formation of products.³⁶ This commenter also stated that exempting CEFs from the requirement to hold annual shareholder meetings would remove “a key disincentive” to listing new CEFs by protecting them from such actors.³⁷

This commenter also stated that if a CEF chose not to hold annual shareholder meetings it would still have protections as provided in the 1940 Act (e.g., independent directors who would maintain their fiduciary duty to monitor discounts and direct changes).³⁸ This commenter further stated that exempting CEFs from the Exchange’s annual shareholder meeting requirement would allow the decision regarding whether to hold such a meeting to be determined by state law and the CEF’s organizational documents.³⁹ In addition, this commenter stated that because the exemption from the requirement to hold annual shareholder meetings would only be available to new funds that do not yet have shareholders, no existing “right” to a meeting would be taken away under the proposal.⁴⁰ This commenter stated that a CEF would still have the ability to preserve the right to an annual shareholder meeting in its bylaws if it determines that retail shareholders value that right.⁴¹

The Commission also received comments opposing the proposal.⁴²

²⁴ See *id.* at 25661. When justifying its prior proposal to exempt ETFs listed on the Exchange from the annual shareholder meeting requirement of Section 302.00, the Exchange stated, among other things, that the net asset value (“NAV”) of such products is determined by the market price of each fund’s underlying securities or other reference asset; and that because shareholders can value their investments in such products on an ongoing basis, the Exchange believes that there is less need for such shareholders to engage management at an annual meeting. See Securities Exchange Act Release No. 85889 (May 17, 2019), 84 FR 23815, 23816 (May 23, 2019) (SR–NYSE–2019–20) (Notice of Filing of Proposed Rule Change Amending Section 302 of the Listed Company Manual To Provide Exemptions for the Issuers of Certain Categories of Securities From the Obligation To Hold Annual Shareholders’ Meetings). See also NYSE 2019 Order at 35432.

²⁵ See Notice, *supra* note 4, at 25661. The Exchange further states that many investors deliberately purchase listed CEFs on the secondary market when they are trading at a discount to NAV and for many investors these discounts represent buying opportunities that allow investors to acquire shares or reinvest dividends below NAV, thereby boosting their dividend yield and potential return. See *id.*

²⁶ See *id.*

²⁷ See *id.* (citing Letter from Paul G. Cellupica, General Counsel, and Kevin Ercoline, Assistant General Counsel, Investment Company Institute (“ICI”) dated Oct. 31, 2024, regarding SR–NYSE–2024–35, available at <https://www.sec.gov/comments/sr-nyse-2024-35/srnyse202435-536435-1537902.pdf>).

²⁸ See *id.*

²⁹ See *id.* at 25662.

³⁰ See *id.*

³¹ See Letters from Paul G. Cellupica, General Counsel, and Kevin Ercoline, Assistant General Counsel, Investment Company Institute (“ICI”), dated July 8, 2025 (“ICI Letter”); James P. McKay, dated July 22, 2025 (“McKay Letter”); and David Young, dated July 25, 2025 (“Young Letter”).

³² See ICI Letter at 3. This commenter stated that it provided data that it believes demonstrates that retail investors often buy shares of listed CEFs at a discount and reinvest dividends when CEFs continue to trade at a discount, showing that some shareholders buy and hold shares of listed CEFs for the yield and distributions as opposed to any future opportunity to exit at NAV. See *id.* at 9 (citing Letter from Paul G. Cellupica, General Counsel, and Kevin Ercoline, Assistant General Counsel, ICI, dated Nov. 5, 2024, at 3–5 (“2024 ICI Letter”).

³³ See ICI Letter at 3.

³⁴ See *id.* at 4. See also *id.* at 9 (citing 2024 ICI Letter, which discussed data concerning shareholder engagement and shareholder activism, and citing Letter from Paul G. Cellupica, General Counsel, Kevin Ercoline, Assistant General Counsel, and Shelly Antoniewicz, Chief Economist, ICI, dated Jan. 24, 2025, which discussed prior academic literature on shareholder activism). Another commenter that supports the proposal stated that large minority investors liquidate CEFs at low prices, thwarting his investment strategy to hold the CEF as a long-term investment. See McKay Letter.

³⁵ See ICI Letter at 5. See also Young Letter (stating that certain investors hurt CEFs’ value to realize short-term profits, at the expense of long-term shareholders).

³⁶ See ICI Letter at 4.

³⁷ See *id.* at 4–5. This commenter stated that the campaigns of certain minority activists have negatively impacted the market for CEF IPOs, noting that no CEFs launched in 2023, only three launched in 2024, and none have launched yet in 2025, as compared to the rates of launches for other products that do not require an annual shareholder meeting requirement (e.g., 518 ETFs launched in 2023 and 757 launched in 2024). See *id.* at 4.

³⁸ See *id.* at 6.

³⁹ See *id.*

⁴⁰ See *id.* at 7.

⁴¹ See *id.* at 3.

⁴² See, e.g., Letters from Michael D’Angelo, Saba Capital Management, LP, dated June 27, 2025 (“Saba Letter”); Phillip Goldstein, Managing Partner, Bulldog Investors LLP, dated July 5, 2025 (“Bulldog Letter”); Gabi Glikberg, ATG Capital Management LLC, dated July 3, 2025 (“ATG Letter”); Hank Krakover, SLK Private Wealth, dated July 8, 2025 (“SLK Letter”); Ben Brostoff, dated July 4, 2025 (“Brostoff Letter”); James Ritchie, CorpGov.net, dated July 7, 2025 (“CorpGov.net Letter”); Kenneth Chance, dated July 8, 2025.

Comment letters from individuals opposing the proposal generally requested that the Commission not allow their voting rights to be taken away and stated that annual shareholder meetings are necessary to hold managers accountable so that CEFs are not devalued.⁴³ One commenter stated that the annual shareholder meeting requirement facilitates transparency and promotes the protection of investors and the public interest, and that the Exchange has not demonstrated “how this fundamental shareholder right . . . fails to ultimately protect investors.”⁴⁴ Another commenter stated that the historical backdrop of the adoption of the 1940 Act, when at the time an annual meeting was required by every state’s laws, makes clear that Congress never contemplated elimination of an annual shareholder meeting for CEFs, regardless of the other shareholder protections set forth in the 1940 Act.⁴⁵ One commenter stated that the safeguards in the 1940 Act complement, but do not replace, a shareholder’s right to participate in the election of directors.⁴⁶

Several commenters stated that CEFs are different from other registered investment companies, including ETFs listed on the Exchange, which are not required to hold annual shareholder meetings.⁴⁷ In particular, commenters stated that, unlike ETFs which trade at or near their NAV, CEFs commonly trade at significant discounts to their NAV, meaning that CEF shareholders cannot trade out of their shares if they are dissatisfied with management without incurring large losses.⁴⁸ Commenters also stated that annual shareholder meetings are essential in order to hold the directors of CEFs

accountable and that, without this accountability, boards will be less responsive to shareholder concerns and discounts to NAV will widen.⁴⁹

One commenter explained that without annual shareholder meetings, shareholders cannot avail themselves of the shareholder proposal process provided for in Rule 14a–8 of the Exchange Act⁵⁰ because shareholders cannot submit proposals if there is no shareholder meeting at which to present them.⁵¹ In turn, the commenter stated, if Rule 14a–8 becomes moot, shareholders would also lose their right provided for in Section 15(a)(3) of the 1940 Act⁵² to approve and terminate investment advisory agreements because such proposals are typically submitted as Rule 14a–8 proposals or as business at an annual shareholder meeting.⁵³

Commenters also stated that although the Exchange contends that the proposal will not affect shareholders of existing CEFs, existing CEFs will just merge or reorganize into new CEFs in order to be exempt from the annual shareholder meeting requirements.⁵⁴ One commenter stated that the proposal fails to justify why one group of investors (those that invested in CEFs after approval of the proposal) should be entitled to fewer rights than other group of investors (those that invested in CEFs prior to approval of the proposal).⁵⁵

The Commission has concerns about whether NYSE’s proposal to exempt

CEF that are listed on the Exchange after approval of the proposed rule change from the annual shareholder meeting requirement set forth in Section 302.00 of the Manual is designed to protect investors and the public interest, as required by Section 6(b)(5) of the Exchange Act.⁵⁶ Although NYSE’s rules provide a similar exemption for ETFs listed on the Exchange,⁵⁷ there are important differences between CEFs and ETFs. Shares of CEFs often trade at prices that are less than, or at a “discount” to, the funds’ NAV per share. In contrast, while ETFs may trade at a discount, it is often to a much lesser degree than CEFs.⁵⁸ The Exchange states that the tendency for CEFs to trade at a discount to NAV represents an operational characteristic of CEFs, that shareholders invest in CEFs primarily for yield and distributions rather than any expectation of exiting at NAV, and that, in any case, the annual meeting requirement is superfluous for discount management because independent directors will address such discounts, if necessary.⁵⁹ However, certain commenters disagree and state that shareholders of CEFs may have an interest in expressing their views at annual shareholder meetings in order to hold CEF managers accountable, particularly because CEF shareholders may not be able to trade out of their positions without incurring losses.⁶⁰ As a result, the Commission believes there may be investor protection concerns for CEF shareholders with respect to eliminating the right to an annual shareholder meeting that may not be present for shareholders of ETFs listed on the Exchange.

In addition, while the Exchange states that the proposal would maintain existing voting rights for shareholders in established CEFs because it would only be applicable to CEFs listed on the Exchange after approval of its proposed rule change,⁶¹ the Exchange also states that an existing CEF that merges or reorganizes into a new CEF will be subject to the by-laws and listing standards applicable to the new fund.⁶²

(“Chance Letter”); Tom Kerr, dated July 10, 2025 (“Kerr Letter”); James Elbaor, Managing Partner, Marlton LLC, dated July 23, 2025 (“Marlton Letter”).

⁴³ See, e.g., Brostoff Letter; Chance Letter; Kerr Letter; Letters from Daniel Lippincott, President and Chief Investment Officer, Karpus Investment Management, dated July 18, 2025 (“Karpus Letter”); Bernard Haven, dated July 22, 2025 (“Haven Letter”).

⁴⁴ Marlton Letter at 2.

⁴⁵ See Bulldog Letter. See also CorpGov.net Letter.

⁴⁶ See Marlton Letter at 2–3 (“[w]hile such [1940 Act] provisions and safeguards address specific potential conflicts and fund-specific issues, annual meetings address the fundamental need for shareholder oversight and director accountability”).

⁴⁷ See, e.g., Saba Letter at 6–7; Karpus Letter; Haven Letter; Marlton Letter at 3.

⁴⁸ See, e.g., Saba Letter at 6–7; Karpus Letter; Haven Letter; Marlton Letter at 3 (“[u]nlike ETF shareholders who more readily may ‘vote with their feet’ because of their ability to continuously redeem shares at or close to NAV, CEF shareholders ‘vote with their voice’ via critically important annual shareholder meetings”).

⁴⁹ See, e.g., ATG Letter at 1; SLK Letter; Letter from Devin Hanrahan, dated July 23, 2025. See also Saba Letter at 8–9; Marlton Letter at 5 (stating that action by concentrated minority shareholders to bring change is “an important counterweight” when advisers or boards are unwilling or unable to address issues with CEFs that persistently trade at deep discounts or underperform). One commenter referenced letters from academics on a prior iteration of proposal that, among other things, discussed data on the costs of director entrenchment, reasons CEFs trade at NAV discounts, and shareholder activism. See Saba Letter at 9 (citing Letters from Profs. Lucian A. Bebchuk, Harvard School of Law, and Robert J. Jackson, Jr., NYU School of Law, dated July 30, 2024; Profs. Daniel J. Taylor, The Wharton School, Edwin Hu, University of Virginia Law School, Shiva Rajgopal, Columbia Business School, Robert E. Bishop, Duke School of Law, Bradford Levy, Chicago Booth School of Business, and Jonathon Zytznick, Georgetown University Law Center, on behalf of the Working Group on Market Efficiency and Investor Protection in Closed-End Funds, dated July 30, 2024; Prof. Robert J. Jackson, Jr., dated Nov. 14, 2024).

⁵⁰ 17 CFR 240.14a–8. Rule 14a–8 requires companies that are subject to the federal proxy rules to include shareholder proposals in companies’ proxy statements, subject to certain procedural and substantive requirements.

⁵¹ See Marlton Letter at 3.

⁵² 15 U.S.C. 80a–15.

⁵³ See Marlton Letter at 3.

⁵⁴ See, e.g., Saba Letter at 1–2; Marlton Letter at 4; Letter from Timothy Fischer, dated July 24, 2025. See also Saba Letter at 3–6.

⁵⁵ See Marlton Letter at 4.

⁵⁶ 15 U.S.C. 78f(b)(5).

⁵⁷ See NYSE 2019 Order, *supra* note 17.

⁵⁸ See Securities Act Release No. 10695, Investment Company Act Release No. 33646, S7–15–18 (Sept. 25, 2019), 84 FR 57162, 57165 (Oct. 24, 2019) (Exchange-Traded Funds Final Rule) (“The combination of the creation and redemption process with secondary market trading in ETF shares and underlying securities provides arbitrage opportunities that are designed to help keep the market price of ETF shares at or close to the NAV per share of the ETF.”). See also *supra* note 23.

⁵⁹ See *supra* notes 24–25 and accompanying text.

⁶⁰ See *supra* notes 48–49 and accompanying text.

⁶¹ See *supra* note 28 and accompanying text.

⁶² See *supra* note 11 and accompanying text.

Thus, any CEF listed on NYSE or another exchange prior to approval of the proposed rule that merges or reorganizes into a new CEF listed on NYSE following approval of the proposed rule change would be exempt from the Exchange's annual shareholder meeting requirement. As a result, the proposal could allow for the elimination of the rights of existing CEF shareholders to engage management at an annual shareholder meeting, a right which a shareholder may have relied on when purchasing the CEF shares and which may be particularly important to existing shareholders given the tendency of CEF shares to trade at a discount to NAV. The Exchange has not addressed how this potential elimination of the rights of existing shareholders is consistent with the protection of investors and the public interest, as required by Section 6(b)(5) of the Exchange Act.⁶³

As a result, the Commission believes there are questions as to whether the proposal is consistent with Section 6(b)(5) of the Exchange Act⁶⁴ and its requirement, among other things, that the rules of a national securities exchange be designed to protect investors and the public interest. For this reason, it is appropriate to institute proceedings pursuant to Section 19(b)(2)(B) of the Exchange Act⁶⁵ to determine whether the proposal should be approved or disapproved.

IV. Procedure: Request for Written Comments

The Commission requests that interested persons provide written submissions of their data, views, and arguments with respect to the issues identified above, as well as any other concerns they may have with the proposal. In particular, the Commission invites the written views of interested persons concerning whether the proposed rule change is consistent with Section 6(b)(5) of the Exchange Act⁶⁶ or any other provision of the Exchange Act, or the rules and regulations thereunder. Although there do not appear to be any issues relevant to approval or disapproval that would be facilitated by an oral presentation of data, views, and arguments, the Commission will consider, pursuant to Rule 19b-4 under the Exchange Act,⁶⁷ any request for an opportunity to make an oral presentation.⁶⁸

Interested persons are invited to submit written data, views, and arguments regarding whether the proposed rule change should be approved or disapproved by October 6, 2025. Any person who wishes to file a rebuttal to any other person's submission must file that rebuttal by October 20, 2025. The Commission asks that commenters address the sufficiency of the Exchange's statements in support of the proposal, in addition to any other comments they may wish to submit about the proposed rule change. 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-2025-20 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-NYSE-2025-20. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the 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-2025-20 and should be submitted on or before October 6, 2025. Rebuttal comments should be submitted by October 20, 2025.

1975, Public Law 94-29 (June 4, 1975), grants to the Commission flexibility to determine what type of proceeding—either oral or notice and opportunity for written comments—is appropriate for consideration of a particular proposal by a self-regulatory organization. See Securities Acts Amendments of 1975, Senate Comm. on Banking, Housing & Urban Affairs, S. Rep. No. 75, 94th Cong., 1st Sess. 30 (1975).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶⁹

Sherry R. Haywood,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103933; File No. SR-CboeBZX-2025-040]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Designation of a Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To List and Trade Shares of Franklin XRP ETF Under BZX Rule 14.11(e)(4) (Commodity-Based Trust Shares)

September 10, 2025.

On March 13, 2025, Cboe BZX Exchange, Inc. ("BZX") 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 list and trade shares of the Franklin XRP ETF, a series of the Franklin XRP Trust, under BZX Rule 14.11(e)(4). The proposed rule change was published for comment in the *Federal Register* on March 19, 2025.³

On April 29, 2025, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁵ On June 17, 2025, the Commission initiated proceedings under Section 19(b)(2)(B) of the Act⁶ to determine whether to approve or disapprove the proposed rule change.⁷

⁶⁹ 17 CFR 200.30-3(a)(57).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 102656 (Mar. 13, 2025), 90 FR 12881. Comments received on the proposed rule change are available at: <https://www.sec.gov/comments/sr-cboebzx-2025-040/srcboebzx2025040.htm>.

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 102944, 90 FR 19040 (May 5, 2025). The Commission designated June 17, 2025, as the date by which the Commission shall approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

⁶ 15 U.S.C. 78s(b)(2)(B).

⁷ See Securities Exchange Act Release No. 103278, 90 FR 26631 (June 23, 2025).

⁶³ 15 U.S.C. 78f(b)(5).

⁶⁴ *Id.*

⁶⁵ 15 U.S.C. 78s(b)(2)(B).

⁶⁶ 15 U.S.C. 78f(b)(5).

⁶⁷ 17 CFR 240.19b-4.

⁶⁸ Section 19(b)(2) of the Exchange Act, as amended by the Securities Acts Amendments of

Section 19(b)(2) of the Act⁸ provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for comment in the **Federal Register** on March 19, 2025.⁹ The 180th day after publication of the proposed rule change is September 15, 2025. The Commission is extending the time period for approving or disapproving the proposed rule change for an additional 60 days.

The Commission finds that it is appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, and the issues raised therein. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,¹⁰ designates November 14, 2025, as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR–CboeBZX–2025–040).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Sherry R. Haywood,

Assistant Secretary.

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BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103937; File No. SR–OCC–2025–013]

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing of Proposed Rule Change by The Options Clearing Corporation Concerning Certain Revisions in Connection With Proposed Modifications to the Manner in Which OCC Accounts for the Guaranty Substitution Payment in OCC's Liquidity Risk Management Processes

September 10, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act” or “Act”),¹ and Rule 19b–4 thereunder,² notice is hereby given that on August 29, 2025, The Options Clearing Corporation (“OCC”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared primarily by OCC. 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

This proposed rule change would make certain revisions to OCC's Comprehensive Stress Testing & Clearing Fund Methodology, and Liquidity Risk Management Description (the “Methodology”) and OCC's Liquidity Risk Management Framework (“LRMF”) to permit OCC to account for the cash payment, *i.e.*, a “Guaranty Substitution Payment” or “GSP” OCC could make to the National Securities Clearing Corporation (“NSCC”) following the default of a common clearing participant that is attributable only to OCC-related activity (known as the “Final GSP”), in OCC's liquidity stress testing, as described in greater detail below.

OCC filed the proposed changes to the Methodology and the LRMF as Confidential Exhibits 5A and 5B [sic] to File No. SR–OCC–2025–013, respectively. Material proposed to be added is underlined and material proposed to be deleted is marked in strikethrough text. All capitalized terms not defined herein have the same

meaning as set forth in the OCC By-Laws and Rules.³

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, OCC 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. OCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

Executive Summary

OCC is the sole clearing agency for standardized equity options listed on national securities exchanges registered with the Commission, including options that contemplate the physical delivery of the underlying equity securities (“physically settled” options).⁴ OCC also clears certain futures contracts that, at maturity, require delivery of underlying equity securities. The exercise/assignment of physically settled options or maturation of certain futures cleared by OCC effectively results in settlement obligations of the related underlying equity securities, *i.e.*, shares of stock in this case. Because OCC does not clear equity securities, OCC's Rules provide that delivery of, and payment for, securities underlying certain exercised stock options and matured single stock futures that are physically settled are generally effected through the facilities of NSCC and are not settled through OCC's facilities.⁵ NSCC is a clearing agency that provides clearing, settlement, risk management, and central counterparty services for trades involving equity securities, including those equity securities related

³ OCC's By-Laws and Rules can be found on OCC's public website: <https://www.theocc.com/Company-Information/Documents-and-Archives/By-Laws-and-Rules>.

⁴ The term “physically-settled” as used throughout the OCC Rulebook refers to cleared contracts that settle into their underlying interest (*i.e.*, options or futures contracts that are not cash-settled). When a contract settles into its underlying interest, shares of stock are sent, *i.e.*, delivered, to contract holders who have the right to receive the shares from contract holders who are obligated to deliver the shares at the time of exercise/assignment in the case of an option and maturity in the case of a future.

⁵ See Chapter IX of OCC's Rules (Delivery of Underlying Securities and Payment), *supra* note 3.

⁸ 15 U.S.C. 78s(b)(2).

⁹ See *supra* note 3 and accompanying text.

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ 17 CFR 200.30–3(a)(57).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

to the settlement of physically settled options and futures contracts.

To effect the settlement of equity securities related to options and futures activity, NSCC and OCC maintain a legal agreement, referred to by the parties as the “Accord”, that governs the processing of physically settled options and futures cleared by OCC that result in transactions with delivery obligations in the underlying equity securities that are cleared and settled by NSCC. The Accord establishes terms under which NSCC accepts for clearing and settlement certain securities transactions that result from the exercise and assignment of OCC cleared and settled options contracts and the maturation of futures contracts, referred to as “E&A/Delivery Transactions” in the Accord.⁶ It also establishes the time when OCC’s settlement guaranty in respect of E&A/Delivery Transactions ends and NSCC’s settlement guaranty begins.

The parties most recently amended the Accord on May 28, 2024, primarily to account for the following:⁷

- Amendments that addressed issues where NSCC could choose not to guarantee the settlement of the underlying equity securities related to E&A/Delivery Transactions in the event of the default of a clearing member common to both agencies (a “Common Clearing Member”) by giving OCC the right to make a GSP to NSCC to allow for NSCC to continue to effect settlement of the underlying securities.
- Amendments that addressed operational, information sharing, and timing issues related to the industry-wide implementation of the move to a shortened settlement cycle from trade date plus two (“T+2”) to trade date plus one (“T+1”).

In conjunction with the changes to the Accord, OCC also made changes to its liquidity risk management processes that included incorporating the potential for OCC to have to make a GSP to NSCC into its liquidity stress testing. In the time since the May 28, 2024, implementation, OCC has identified issues where OCC has been accounting for activity that is not related to the settlement of the underlying equity securities related to E&A/Delivery Transactions, thereby causing OCC to

over collect financial resources from its Clearing Members. To address these issues, OCC is proposing changes to the Methodology and LRMF such that OCC only will account for the portion of deficits created at NSCC related to OCC activity in its liquidity risk management processes.

GSP and Liquidity Stress Testing Impact GSP

Pursuant to the terms of the Accord, OCC can choose to make a cash payment to NSCC, *i.e.*, a GSP, if a Common Clearing Member defaults. The GSP allows OCC to “step into the shoes” of a defaulting Common Clearing Member so that NSCC will continue to process, clear, and settle the underlying securities related to E&A/Delivery Transactions.

For every Common Clearing Member during each trading day (“T”), NSCC calculates and sends to OCC indications of the amounts of the components used to determine the GSP, as well as other financial information, leading up to morning settlement on the following day (T+1). NSCC also sends final indications on T+1 each day prior to morning settlement along with the final amount of the share of deficits related to E&A/Delivery Transactions, *i.e.*, the amount of the Final GSP. To arrive at the sum of the Final GSP, NSCC determines a Common Clearing Member’s (i) unpaid Required Fund Deposit (“RFD”) and (ii) unpaid Supplemental Liquidity Deposit (“SLD”) obligation that are attributable to E&A/Delivery Transactions and transmits the results to OCC at the NSCC Family level.

To account for the liquidity needs associated with the potential for OCC to make a GSP, OCC creates a “hypothetical GSP” using the final indications of the GSP components NSCC sends to OCC on the morning of T+1. These amounts include, among other things, final total SLDs and total deficits at NSCC. OCC subsequently uses the hypothetical GSP in OCC’s end

of day stress testing processes. OCC’s inclusion of the entire amounts owed at NSCC in the hypothetical GSP is a conservative approach; OCC is incorporating into its liquidity stress testing amounts representing Common Clearing Member obligations attributable to transactions at both NSCC and OCC when OCC ultimately is only responsible for satisfying those portions of the unpaid RFD and unpaid SLD related to OCC E&A/Delivery Transactions, *i.e.*, the Final GSP.

Liquidity Stress Testing Impact

In the 13 months since OCC implemented the hypothetical GSP in its liquidity risk management processes, OCC identified unexpected amounts in the data that NSCC sends every day that could cause OCC to over collect resources. More specifically, OCC identified the following:

- NSCC’s existing methodologies calculate SLDs at the “family” level, which can include activity undertaken by affiliates of a Common Clearing Member that are NSCC members, but not OCC Clearing Members. This SLD data that NSCC provides at the family level is apportioned separately based on the NSCC and OCC contributions to the overall amount, and OCC currently uses both data points in the construction of the hypothetical GSP. The GSP is not intended to address the default of an NSCC member that is not a Common Clearing Member.

- Similarly, the data NSCC sends to OCC can include deficits related to non-E&A/Delivery Transactions, *e.g.*, ETF creation and redemption activity. The GSP is intended to address only OCC E&A/Delivery Transactions settlements related to a Common Clearing Member default.

By way of example, OCC identified these issues in late 2024, when data NSCC sent to OCC included anomalous SLDs driven by the activity of affiliates of a Common Clearing Member that were not OCC Clearing Members, as well as activity that was not related to E&A/Delivery Transactions. The amount was approximately \$7 billion. At the same time, the Final GSP—the amount OCC would pay to NSCC for NSCC to settle E&A/Delivery Transactions—for that same Common Clearing Member—was approximately \$60 million.

OCC is now proposing to incorporate only the Final GSP into its liquidity stress testing because the Final GSP is the most accurate assessment of what OCC would owe to NSCC to effect settlement of E&A/Delivery Transactions. OCC believes that this approach would continue to represent conservative treatment because OCC

⁶ While the Accord contemplates NSCC’s settlement of equity securities in connection with options and futures contracts cleared by OCC, as of the date of this filing, OCC is not clearing any futures contracts that result in physical delivery.

⁷ See Exchange Act Release Nos. 99735 (Mar. 14, 2024), 89 FR 19907 (Mar. 20, 2024) (File No. SR–OCC–2023–007); 99731 (Mar. 13, 2024), 89 FR 19629 (May. 19[sic], 2024) (File No. SR–OCC–2023–801).

⁸ The Required Fund Deposit is the portion of a defaulted Common Member’s Required Fund Deposit deficit to NSCC, calculated as a difference between the Required Fund Deposit deficit calculated on the entire portfolio and the Required Fund Deposit deficit calculated on the Common Member’s portfolio prior to the submission of E&A/Delivery Transactions. The Required Fund Deposit is calculated pursuant to Rule 4 (Clearing Fund) and Procedure XV (Clearing Fund Formula and Other Matters) of the NSCC Rules available at https://www.dtcc.com/-/media/Files/Downloads/legal/rules/nscc_rules.pdf.

⁹ See *id.* at NSCC Rule 4A. Under the NSCC Rules, NSCC collects Supplemental Liquidity Deposits as additional cash deposits from those Members who would generate the largest settlement debits in stressed market conditions.

would include two consecutive days of peak Final GSP calculations on a 12-month lookback basis in its liquidity demand calculation. More specifically, OCC would apply the peak Final GSP amounts from the prior twelve months for the relevant expiration category for the specific CMO Group for each forecasted liquidity demand calculation by adding the peak Final GSP amounts to the CMO Group's other forecasted liquidity demands for the relevant expiration day. If a Common Clearing Member defaulted, OCC may have to pay a Final GSP to NSCC on two successive days to facilitate the close-out of the defaulted Clearing Member's positions.

To account for this possibility in its liquidity risk management process, OCC will continue to contemplate the payment of the GSP on expirations that result in settlements on the first and second days of the default management process. As proposed, OCC would provision sufficient resources to cover the peak Final GSP on two consecutive days as opposed to OCC's current process of provisioning for payment of a peak hypothetical GSP on two consecutive days. From time to time, the exposures posed by a Common Member's portfolio will result in the setting of a new peak GSP. However, since the inception of the GSP, OCC has not observed a single instance in which peak GSPs have been set on two consecutive days.¹⁰ Additionally, as described below, OCC believes that its default management processes make it operationally unlikely that OCC would make two consecutive GSP payments at peak levels for the default of a single Common member.

OCC believes further that provisioning for payment of two peak Final GSPs is conservative because OCC will include two consecutive days of peak Final GSPs in its liquidity demand calculations, which historically are based on two days of trading activity. The likelihood of observing two consecutive peak Final GSP amounts is low due to the cyclical nature of OCC E&A activity whose largest notional exposures tend to be separated across tenors further than one day apart, and most highly concentrated during standard monthly expirations. As noted above, since the inception of the GSP, OCC has not observed a single instance in which peak GSPs have been set on two consecutive days.¹¹ Furthermore, as the RFD component of Final GSP is

driven by contributions to deficits, large increases in exposures linked to changes in unsettled positions at NSCC and the successful collection of the resulting RFD deficits from clearing members at NSCC tend to reduce the potential for and/or magnitude of RFD deficits on a subsequent day given the increased level of pre-funded collateralization. OCC also believes provisioning for payment of two peak Final GSP is conservative because the default of a member, by definition, would stop further trading by the suspended member and result in OCC taking only risk reducing actions with regard to the defaulter's portfolio. On the day OCC declares a Common Clearing Member to be in default ("D")—most likely for the Clearing Member failing to make morning settlement on D prior to the opening of trading—the defaulting Common Clearing Member would be prevented from engaging in any trading activity on D. The defaulting Common Clearing Member would be unable to add to or subtract from its existing positions at OCC, therefore the option position set that would result in delivery instructions at the end of the day becomes fixed. OCC could elect to make a GSP to NSCC on D to ensure NSCC processes E&A/Delivery Transactions that were sent to NSCC on D-1 on behalf of the defaulting Clearing Member. This payment would account for the first day of Final GSP that OCC would include in its liquidity demand calculations.

OCC would next create a close-out action plan ("CAP") to dispose of the defaulting Clearing Member's remaining positions. OCC would, to the extent possible, reduce its risk by internally netting positions and liquidating the defaulting Clearing Member's positions by way of a private auction before or on the morning of D+1 prior to the open of trading and/or use a broker to liquidate the Clearing Member's positions in the open market. In development of the CAP, OCC possesses the optionality to liquidate the Clearing Member's remaining positions via private auction or liquidation in the open market, which can include physically settled options expiring on D. This means OCC could potentially not submit any E&A/Delivery Transactions to NSCC on the evening of D for overnight processing. This could also occur in the case that the defaulting Clearing Member has no physically settled option positions that expire on day D. In such cases, OCC would not be responsible for making the second Final GSP that OCC accounted for in its liquidity demand calculations.

OCC will continue to use a one-year lookback time period to determine the

appropriate Final GSP amount to apply because OCC believes that the one-year lookback allows for the best like-to-like application of a historical Final GSP due to the cyclical nature of option standard expirations with quarterly expirations (*i.e.*, March, June, September, and December) and January expiration generally being more impactful than non-quarterly expirations. The one-year lookback also allows behavior changes of a Clearing Member to be recognized within an annual cycle.

To effect these changes, OCC would amend the Methodology and LRMF as described in more detail in the Proposed Changes to the Methodology and LRMF Section, below.

Ongoing Monitoring

In addition to accounting for the GSP in OCC's liquidity stress testing, OCC is continuously risk managing and monitoring all Clearing Member activity throughout each trading day. OCC monitors forecasted liquidity demands on an ongoing basis and can take mitigating action, or protective measures, including directly with Clearing Members who are presenting elevated risk.¹² Through ongoing monitoring, OCC's Credit Risk Management (CRM) staff detect business-related concerns and/or financial or operational deterioration of Clearing Members in order to protect OCC and its stakeholders. CRM identifies a Clearing Member for placement on watch and suggests appropriate preventative measures by presenting a summary and recommendation to the OCC Credit and Liquidity Risk Working Group (CLRWG), which in turn makes a recommendation for approval to the OCC Chief Financial Risk Officer (CFRO) and the OCC Office of the Chief Executive Officer (OCEO). A summary of Clearing Member watch status is presented at monthly CLRWG meetings and is also provided to the Management Committee and Board Risk Committee. Protective measures might include, but are not limited to, placement on a Watch List, more frequent financial reporting, and margin adjustments.¹³

Some examples of ongoing monitoring include:

- If an account exhibits losses exceeding 50% of that account's total risk charges,¹⁴ which are based upon

¹² See OCC Rule 307 (Protective Measures), *supra* note 3.

¹³ OCC provided its Clearing Member Monitoring and Protective Measures Procedure as Confidential Exhibit 3B to File No. SR-OCC-2025-013.

¹⁴ See Confidential Exhibit 5A File No. SR-OCC-2025-013 (the Methodology) (defining "total risk" as a risk measure aggregated across all accounts of

¹⁰ OCC provided data demonstrating how frequently new peaks have been set in Confidential Exhibit 3A to File No. SR-OCC-2025-013.

¹¹ See *id.*

start-of-day positions that are inclusive of all NSCC-settled options expiring at the end of the day, OCC may require the deposit of intra-day margin by a Clearing Member in any account at any time. While OCC generally issues intraday margin calls at or around 12:00 p.m. CT, OCC has broad authority pursuant to OCC Rule 609 to issue margin calls to any Clearing Member at any time during the day.¹⁵

- On settlement date minus 1, to the extent information is available OCC monitors anticipated RFD deficits and liquidity needs at NSCC for next day settlement by reviewing intraday equity trade activity at NSCC in conjunction with expected exercise and assignment activity at OCC based on intraday option position and pricing snapshots. OCC would escalate to NSCC in the event that calculated results for projected VaR, Mark-to-Market, and Liquidity Need amounts were to indicate potential Final GSPs that are approaching or in excess of OCC Financial Resources.¹⁶

- OCC expects the projections that were generated during the day to be a reasonable approximation of the Clearing Member margin deficit and SLD estimates provided by NSCC during the evening as part of the GSP Monitoring Data information sharing per the Accord.¹⁷ OCC may escalate to NSCC for discussion if the projected amounts are approaching or in excess of OCC Financial Resources.¹⁸

- OCC monitors anticipated large cash settlements each business day during the week leading up to standard monthly expiration.¹⁹ OCC also evaluates margin forecasts and intraday trading activity to determine if projected settlement amounts for T+1 exceed monitoring thresholds, and if necessary, OCC will contact the Clearing Member and their settlement bank to ensure the Clearing Member is prepared to meet settlement. In the event that OCC were to become aware of a potential issue with the Clearing Member or settlement bank satisfying the projected amount, OCC would escalate internally to determine necessary follow-up action.

a Clearing Member, determined using the OCC's STANS margin methodology and such add-on charges as may be determined by OCC).

¹⁵ See Chapter VI of OCC's Rules (Margins), *supra* note 3.

¹⁶ See Accord Section 9 "Additional Reports; Information Sharing," Confidential Exhibit 5C to File Nos. SR-OCC-2023-007 & SR-OCC-2023-801, *supra* note 7.

¹⁷ See Confidential Exhibit 5B to File No. SR-OCC-2025-013 (LRMF).

¹⁸ See Accord Section 3 "Historical Peak Guaranty Substitution Payment," *supra* note 16.

¹⁹ See Confidential Exhibit 3B to File No. SR-OCC-2025-013, *supra* note 13.

In addition to the monitoring described above, OCC may call for additional financial resources from its Clearing Members in the form of a Required Cash Deposit or an increase to the Clearing Member's overall margin requirement based on the liquidity demands inclusive of two days of historical peak Final GSP payments generated by Sufficiency Scenarios.²⁰

Based on the results of OCC's Adequacy and/or Sufficiency Scenarios where forecasts are made out to 20 calendar days, OCC may also place a Clearing Member on Watch Level and/or collect additional margin in advance of expiration via protective measures. The collection of such margin in advance is done to collateralize a Clearing Member's elevated liquidity exposures in the event that forecasted liquidity demands approach or exceed OCC's Base and/or Available Liquidity Resources. An intra-month resizing of the Clearing Fund pursuant to OCC Rule 1001(c) may also be performed to mutualize the risk and maintain resources consistent with a "Cover One" standard.²¹

Proposed Changes to the Methodology and LRMF

Proposed Changes to the Methodology

OCC developed the Methodology to enable OCC to analyze the adequacy of its financial resources and to challenge its risk management framework. The Methodology allows OCC to better manage its risks by promoting OCC's ability to thoroughly monitor its potential exposure under flexible and varied sets of stressed market scenarios. The Methodology also provides OCC with the ability to review the sufficiency of its financial resources and includes stress tests designed to size and monitor the sufficiency of prefunded credit and liquidity resources.

In conjunction with the implementation of the Accord that became effective on May 28, 2024, OCC revised the Methodology to include the GSP in its liquidity risk management practices. The Methodology reflects that the GSP functions as an additional liquidity demand type at the Clearing Member Organization ("CMO") Group level.²² The Methodology explains that the GSP is the amount of cash OCC would need to pay to NSCC on behalf of a defaulting Common Clearing

²⁰ See OCC Rule 307C (Additional Operational, Personnel, Financial Resource and Risk Management Requirements), *supra* note 3. See also *id.* at OCC Rule 609 (Intraday Margin).

²¹ See *id.* at Chapter X (Clearing Fund Contributions).

²² A Clearing Member Group is composed of a set of affiliated OCC Clearing Members.

Member. The Methodology explains that the GSP accounts for liquidity demands at NSCC that are comprised of NSCC Clearing Fund deficits, *i.e.*, RFD, which are analogous to OCC margin deficits, and start of day SLDs. The Methodology also explains that to account for the liquidity demand associated with a potential GSP (i) OCC will include the peak amount of historical actual RFDs and SLDs specific to each CMO Group for the relevant type of expiration on a rolling twelve-month lookback at a CMO Group level and (ii) OCC will account for its potential GSP obligation using the total amount of deficits at NSCC in its calculation, *i.e.*, the hypothetical GSP. Although the Methodology is clear that in the event of a default, OCC will only be responsible for a proportionate share of both the NSCC Clearing Fund deficits and SLDs that are attributable to OCC E&A Delivery Transactions, and that NSCC will be responsible for the portion of the deficits associated with activity that NSCC clears unrelated to E&A/Delivery Transactions, the Methodology nevertheless requires that OCC must account for a potential GSP obligation using the total amount of deficits at NSCC in the GSP liquidity demand calculation.

OCC is proposing to amend the Methodology to account for the Final GSP, *i.e.*, the amount of unpaid RFDs and SLDs attributable to E&A Delivery Transactions, instead of the hypothetical GSP, which consists of the entire amount of unpaid RFDs and SLDs at NSCC. To accomplish this, the Methodology would be changed to reflect that NSCC could reject the E&A/Delivery Transactions of a suspended Common Clearing Member if OCC did not elect to make a Final GSP, in place of GSP as currently reflected in the Methodology.

The Methodology also would reflect that the Final GSP is a firm-specific liquidity demand. The Methodology would reflect that the Final GSP represents only that portion of a GSP related to E&A/Delivery Transactions that would include SLDs and unpaid RFDs related to E&A/Delivery Transactions. OCC would replace an existing footnote in the Methodology with text in the body of the document that states that NSCC aggregates RFDs and SLDs at the Family Level. The Methodology would continue to reflect that SLDs are an additional cash requirement NSCC levies upon clearing members who have a projected liquidity need breaching NSCC total qualifying liquidity resources. The Methodology also would continue to explain that the projected liquidity need is the potential share net purchase obligations generated

by physical/stock settlement from equity trading and OCC long call and short put expiration. The Methodology will also explain that OCC will include the peak Final GSP amount specific to each CMO Group for the relevant type of expiration on a rolling twelve-month lookback to account for liquidity demand associated with GSP. The Methodology also would explain that SLD amounts are calculated by NSCC at the Family Level with netting of transactions allowed across both Common Clearing Members and their non-Common Clearing Member affiliates. The Methodology would explain that OCC's proportionate share of the SLD is determined by the pro-rata contribution of E&A Delivery Transactions to the overall liquidity need at NSCC after netting has taken place and that OCC further aggregates the Final GSP to the corresponding CMO Group.

The Methodology would further state that if a Common Clearing Member defaults, OCC is responsible for the Final GSP, which represents a proportionate share of the RFD deficit and SLD amounts that are attributable to E&A/Delivery Transactions that OCC transmitted to NSCC for settlement. The Methodology would reflect that NSCC provides these proportionate amounts as the Final GSP and that NSCC will be responsible for the portion of the deficits associated with activity that NSCC clears and that is unrelated to E&A/Delivery Transactions transmitted to NSCC by OCC.

Because OCC intends to only include the Final GSP in its liquidity stress testing, OCC is also proposing to remove references to the inclusion of the peak historical actual unpaid RFDs and SLDs specific to each CMO Group. Additionally, OCC would include the word "Final" next to GSP in the section where OCC is referring to the inclusion of the GSP in liquidity stress testing. OCC would remove from the Methodology existing references to the fact that OCC will account for its potential GSP obligation using the total amount of deficits at NSCC in its calculation. OCC also would remove from the Methodology existing language that states OCC will be responsible for a proportionate share of both the NSCC Clearing Fund deficits and SLDs that are attributable to OCC E&A activity transmitted to NSCC for settlement and that NSCC will be responsible for the portion of the deficits associated with activity that NSCC clears which is not transmitted by OCC because OCC would include the concept of OCC's responsibility for its proportionate share in the new language described above.

OCC would update six additional references to the GSP to include the word "Final" where OCC indicates that it may have to pay a GSP on two consecutive days and where OCC discusses its flooring process for different expiration types.

Lastly, OCC would address one minor typographical error in the section related to the use of substitute brokers where OCC references "informationals" scenarios. OCC would replace the word "informationals" with the word "informational".

Proposed Changes to the LRMF

OCC's LRMF is designed to allow OCC to hold sufficient liquid resources to enable it to meet its intraday, same-day, and multiday settlement obligations with a high degree of confidence under a wide range of foreseeable stress scenarios, including the default of a Clearing Member Group that would generate the largest aggregate payment obligation to OCC in extreme but plausible market conditions.

In conjunction with the implementation of the Accord on May 28, 2024, OCC also revised the LRMF to incorporate the GSP within OCC's processes for managing liquidity risk. More specifically, the Liquidity Risk Identification section of the LRMF specifies that, in a situation where a Clearing Member defaults, OCC may elect to make a GSP to NSCC to compel NSCC to accept and process E&A/Delivery Transactions. The LRMF further notes that if OCC elects not to make a GSP, OCC would effect settlement of the defaulted Clearing Member's E&A/Delivery Transactions through alternate settlement means. In relevant part, the LRMF also: (i) includes definitions for (a) "Historical Peak GSP", which is the largest Final GSP for a Common Clearing Member over the prior twelve months, and (b) Final GSP; and (ii) explains that the GSP is a Clearing Member-specific liquidity demand that represents the amount of cash OCC would need to pay to NSCC on behalf of a defaulting Common Clearing Member to settle E&A/Delivery Transactions in accordance with the terms of the Accord.

OCC is proposing to amend the LRMF to clarify that OCC would be able to make a Final GSP to NSCC, instead of the GSP. To accomplish this, OCC would amend the LRMF to change the reference to OCC's ability to make a GSP to NSCC in the Liquidity Risk Identification Section of the LRMF to OCC's ability to make a Final GSP.

OCC also is proposing amendments to the definition of Final GSP in the LRMF to clarify that Final GSP represents only

those portions of the unpaid RFDs and SLDs at NSCC related to E&A/Delivery Transactions. OCC also would remove references to the fact that to account for the liquidity demand associated with the potential payment of a Final GSP, OCC includes a hypothetical GSP calculation specific to each CMO Group for the relevant type of expiration on a rolling twelve-month lookback in its liquidity stress testing.

The LRMF provides that OCC's Risk Department will prepare reports that include analyses of the results of daily Adequacy and Sufficiency stress tests and that review the adequacy of OCC's liquidity resources. The reports are reviewed by OCC's Stress Testing Working Group. OCC is proposing to amend the LRMF to indicate that the monthly reviews will include an analysis of impacts of the Final GSP within liquidity demands, as well as the sensitivities to the application of Final GSP amounts received from NSCC subsequent to the original calculation of liquidity demands. This sensitivity analysis varies the application of which Final GSP amounts are applied in liquidity stress testing corresponding with the day of default and day after, demonstrating the overall impact to prior stressed liquidity demand calculations when new historical peaks are subsequently observed.

OCC is also proposing amendments to the LRMF regarding daily review activities that include the following actions:

- Pursuant to OCC Rule 609, OCC may call for additional financial resources from Clearing Members in the form of a Required Cash Deposit or an increase to the Clearing Member's overall margin requirement if potential settlement obligations, including estimated Final GSP amounts, approach or exceed OCC liquidity resources available to make settlement in the event of a Clearing Member default. For example, OCC may determine that the Clearing Member's forecasted settlement obligations could exceed available liquidity resources based on two days of historical peak Final GSP payments generated by Sufficiency Scenarios, which is detailed in the Financial Resources Sufficiency Monitoring Procedure.

- Placing a Clearing Member on Watch Level as a result of presenting increased liquidity risk from stressed liquidity demands within OCC's Adequacy and/or Sufficiency Scenarios. Pursuant to OCC Rule 307, as a result of placing a member on a higher Watch Level, OCC would be authorized to collect additional margin in advance of expiration via protective measures to

collateralize a given Clearing Member's elevated liquidity exposures once on Watch Level.

- Pursuant to OCC Rule 1001(c), performing an intra-month resizing of the Clearing Fund to mutualize the risk and maintain resources consistent with a "Cover One" standard.

2. Statutory Basis

OCC believes the proposed changes are consistent with the requirements of the Act and the rules and regulations thereunder applicable to a registered clearing agency. In particular, OCC believes the proposed changes are consistent with Section 17A(b)(3)(F) of the Act.²³ Section 17A(b)(3)(F)²⁴ of the Act requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions and, in general, to protect investors and the public interest. As described above, OCC believes that modifying its liquidity stress testing procedures to allow OCC to account for the Final GSP related only to E&A/Delivery Transactions in its liquidity risk management processes would promote prompt and accurate clearance and settlement because it would ensure OCC is using a more accurate reflection of the potential financial risks associated with the settlement of E&A/Delivery Transactions of a defaulting Common Clearing Member.

Additionally, by ensuring that it accounts for only those risks related to the settlement of E&A/Delivery Transactions, OCC reduces the risk of over-collecting financial resources from its Clearing Members, which could lead to unintended consequences for OCC Clearing Members and their ability to perform their obligations in other areas in the marketplace, thus protecting investors and the public interest.

OCC believes that the proposed changes are also consistent with the SEC rules that apply to OCC as a covered clearing agency. In particular, SEC Rule 17ad-22(e)(20) requires OCC to establish, implement, maintain and enforce written policies and procedures reasonably designed to identify, monitor and manage risks related to any link that OCC establishes with one or more other clearing agencies, financial market utilities, or trading markets.²⁵ As described in OCC's publicly available disclosure framework for financial

market infrastructures,²⁶ the Existing Accord between OCC and NSCC is one such link. Based on OCC's experience with the current approach for incorporating the GSP into liquidity risk management, OCC believes the approach is beyond extreme and plausible. OCC has noted that the highest exposures under the current approach are outliers driven by non-OCC related activity. The approach proposed in this filing, where OCC would rely on the Final GSP in liquidity risk management, would isolate the potential payment of a GSP to OCC-only activity. OCC believes this would change OCC's approach from implausible to more plausible. As noted above, the likelihood of observing two consecutive peak Final GSP amounts is low due to the cyclical nature of OCC E&A activity whose largest notional exposures tend to be separated across tenors that are further than one day apart, and most highly concentrated during standard monthly expirations. Furthermore, as the RFD component of Final GSP is driven by contributions to deficits, large increases in exposures linked to changes in unsettled positions at NSCC and the successful collection of the resulting Required Fund Deposit deficits from clearing members at NSCC tend to reduce the potential for and/or magnitude of RFD deficits on a subsequent day given the increased level of available collateral. Furthermore, based on data OCC has reviewed to date, OCC believes that the incorporation of two peak Final GSP payments in liquidity demand calculations, combined with stressed liquidity demands of non-expiring and OCC settled positions, provides a more rational measure of the financial resources necessary to cover exposures that could arise in an extreme but plausible scenario. OCC also will continue to monitor liquidity and E&A/Delivery Transactions settlements on an ongoing basis and would have the ability to take mitigating action directly with any Clearing Members presenting elevated risk to OCC. As described above, OCC believes that because the data NSCC sends to OCC for use in OCC's liquidity stress testing may include activity not related to OCC E&A/Delivery Transactions, the proposed modifications to OCC's stress testing procedures (i) are designed to enhance OCC's ability to call for a more accurate amount of liquidity resources

from its Clearing Members, while (ii) ensuring that it will be able to make a Final GSP to NSCC, which, in turn, will help manage the risks presented to OCC and its Clearing Members by the settlement link with NSCC because OCC's ability to pay the Final GSP would continue to ensure that the relevant securities settlement obligations would be accepted by NSCC for clearance and settlement.

(B) Clearing Agency's Statement on Burden on Competition

Section 17A(b)(3)(I) of the Act requires that the rules of a clearing agency not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. OCC does not believe that the proposal would impose any burden on competition. The proposed changes would allow OCC to more accurately capture the potential impact of OCC making a Final GSP on behalf of any defaulting Clearing Member in OCC's liquidity risk management processes, while continuing to ensure that OCC would have adequate resources to make a Final GSP. Accordingly, OCC does not believe that the proposed rule change would impose a burden on competition. Rather, OCC expects that the proposed changes would reduce liquidity demands for OCC Clearing Members because OCC is proposing to account for the risk from a Common Clearing Member default in a manner that would more accurately reflect the risks associated historically with the settlement of E&A/Delivery Transactions. This potential reduction in liquidity needs at OCC could mean that OCC's Clearing Members would have more of their own resources available for use for other purposes. The proposal also would reduce the potential overlap between OCC and NSCC related to calling common Clearing Members for resources for the same activity as OCC would only reflect OCC activity within its liquidity demands.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments were not and are not intended to be solicited with respect to the proposed rule change, and none have been 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**

²³ 15 U.S.C. 78q-1(b)(3)(F).

²⁴ 15 U.S.C. 78q-1(b)(3)(F).

²⁵ 17 CFR 240.17ad-22(e)(20).

²⁶ See The Options Clearing Corporation Disclosure Framework for Financial Market Infrastructures, Principle 20 (FMI Links), available at <https://www.theocc.com/risk-management/pfmi-disclosures> (last updated July 10, 2025).

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.

The proposal shall not take effect until all regulatory actions required with respect to the proposal are completed.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<http://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking>);
- Send an email to rule-comments@sec.gov. Please include file number SR-OCC-2025-013 on the subject line.

Paper Comments

- Send paper comments in triplicate to Vanessa Countryman, Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-OCC-2025-013. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking>). Copies of such filing will be available for inspection and copying at the principal office of OCC and on OCC's website at <https://www.theocc.com/Company-Information/Documents-and-Archives/By-Laws-and-Rules>.

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-OCC-2025-013 and should

be submitted on or before October 6, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁷

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025-17727 Filed 9-12-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103932; File No. SR-NYSETEX-2025-30]

Self-Regulatory Organizations; NYSE Texas, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Rule 6.6800 Series

September 10, 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 August 27, 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 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 the Rule 6.6800 Series, the Exchange's compliance rule ("Compliance Rule") regarding the National Market System Plan Governing the Consolidated Audit Trail (the "CAT NMS Plan" or "Plan")³ to be consistent with the exemptive relief granted by the Commission from certain provisions of the CAT NMS Plan related to timestamp granularity ("2025 Timestamp Granularity Exemption").⁴ Specifically, the Exchange proposes to update the expiration date of the exemption in Rule 6.6860(a)(2) from April 8, 2025 to April 8, 2030. The proposed rule change is available on the Exchange's website at www.nyse.com, at the principal office of the Exchange, and

at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of this proposed rule change is to amend Rule 6.6860 of the Compliance Rule to be consistent with the 2025 Timestamp Granularity Exemption. Under the 2025 Timestamp Granularity Exemption, the Commission extended the existing exemptive relief pursuant to which Industry Members that capture timestamps in increments more granular than nanoseconds must truncate the timestamps after the nanosecond level for submission to CAT, rather than rounding such timestamps up or down, from April 8, 2025 to April 8, 2030. Accordingly, the Exchange proposes to update the expiration date of the exemption in Rule 6.6860(a)(2) from April 8, 2025 to April 8, 2030.

On February 3, 2020, the Participants filed with the Commission a request for exemptive relief from the requirement in Section 6.8(b) of the CAT NMS Plan for each Participant, through its Compliance Rule, to require that, to the extent that its Industry Members utilize timestamps in increments finer than nanoseconds in their order handling or execution systems, such Industry Members utilize such finer increment when reporting CAT Data to the Central Repository.⁵ On April 8, 2020, the Participants received the requested exemptive relief.⁶ As a condition to this exemption, the Participants, through

²⁷ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Unless otherwise specified, capitalized terms used in this rule filing are defined as set forth in the Compliance Rule.

⁴ See Securities Exchange Act Release No. 102980 (May 2, 2025), 90 FR 19334 (May 7, 2025).

⁵ See Letter to Vanessa Countryman, Secretary, SEC, from Michael Simon, CAT NMS Plan Operating Committee Chair, re: Request for Exemption from Certain Provisions of the National Market System Plan Governing the Consolidated Audit Trail related to Granularity of Timestamps and Relationship Identifiers (Feb. 3, 2020).

⁶ See Securities Exchange Act Release No. 88608 (April 8, 2020), 85 FR 20743 (April 14, 2020).

their Compliance Rules, required Industry Members that capture timestamps in increments more granular than nanoseconds to truncate the timestamps after the nanosecond level for submission to CAT, rather than rounding up or down in such circumstances. The exemption was to remain in effect for five years, until April 8, 2025.

In 2020, the Exchange amended paragraph (a)(2) of Rule 6.6860 to reflect this exemptive relief.⁷ Specifically, the Exchange amended Rule 6.6860(a)(2) to state the following.

Subject to paragraph (b), to the extent that any Industry Member's order handling or execution systems utilize time stamps in increments finer than milliseconds, such Industry Member shall record and report Industry Member Data to the Central Repository with time stamps in such finer increment up to nanoseconds; provided, that Industry Members that capture timestamps in increments more granular than nanoseconds must truncate the timestamps after the nanosecond level for submission to CAT, rather than rounding such timestamps up or down, until April 8, 2025.

The language of Rule 6.6860(a)(2) has not been changed since that time.

The exemption granted in 2020, however would no longer be in effect after April 8, 2025, unless the period the exemption is in effect is extended by the SEC. Accordingly, on March 24, 2025, the Participants filed with the Commission a request to extend the existing exemptive relief for another five years, until April 8, 2030.⁸ On May 2, 2025, the Participants received the requested exemptive relief from the Commission via the 2025 Timestamp Granularity Exemption. As a condition to this exemption, the Participants, through their Compliance Rules, are required to require Industry Members that capture timestamps in increments more granular than nanoseconds to truncate the timestamps after the nanosecond level for submission to CAT, rather than rounding up or down in such circumstances. The SEC granted the 2025 Timestamp Granularity Exemption for a period of five years, until April 8, 2030.

Accordingly, the Exchange proposes to amend its Compliance Rule to reflect the extended period set forth in the 2025 Timestamp Granularity

Exemption, replacing the reference to April 8, 2025 with April 8, 2030. Specifically, the Exchange proposes to amend paragraph (a)(2) of Rule 6.6860 to state:

Subject to paragraph (b), to the extent that any Industry Member's order handling or execution systems utilize time stamps in increments finer than milliseconds, such Industry Member shall record and report Industry Member Data to the Central Repository with time stamps in such finer increment up to nanoseconds; provided, that Industry Members that capture timestamps in increments more granular than nanoseconds must truncate the timestamps after the nanosecond level for submission to CAT, rather than rounding such timestamps up or down, until April 8, 2030.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b)(5) of the Act,⁹ which require, among other things, that the Exchange's rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest, and Section 6(b)(8) of the Act,¹⁰ which requires that the Exchange's rules not impose any burden on competition that is not necessary or appropriate.

The Exchange believes that this proposal is consistent with the Act because it is consistent with the exemptive relief that has been in place for five years, is consistent with the 2025 Timestamp Granularity Exemption, and is designed to assist the Exchange and its Industry Members in meeting regulatory obligations pursuant to the Plan. In approving the Plan, the SEC noted that the Plan "is necessary and appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanism of a national market system, or is otherwise in furtherance of the purposes of the Act."¹¹ To the extent that this proposal implements the Plan, including the exemptive relief related thereto, and applies specific requirements to Industry Members, the Exchange believes that this proposal furthers the objectives of the Plan, as identified by the SEC, and is therefore consistent with the Exchange Act.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange notes that the proposed rule change is consistent with the exemptive relief that has been in place for five years, is consistent with the 2025 Timestamp Granularity Exemption, and is designed to assist the Exchange in meeting its regulatory obligations pursuant to the Plan. The Exchange also notes that the amendment to the Compliance Rule will apply equally to all Industry Members that trade NMS Securities and OTC Equity Securities. In addition, all national securities exchanges and FINRA are proposing these amendments to their CAT Compliance Rules. Therefore, this is not a competitive rule filing, and, therefore, it does not impose a burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

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) of the Act¹² and Rule 19b-4(f)(6)¹³ thereunder. Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; or (iii) become operative for 30 days 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) of the Act¹⁴ and Rule 19b-4(f)(6) thereunder.

A proposed rule change filed under Rule 19b-4(f)(6)¹⁵ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),¹⁶ the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day

⁷ See Securities Exchange Act Release No. 89106 (June 19, 2020), 85 FR 38193 (June 25, 2020) (SR-NYSECHX-2020-01).

⁸ See Letter to Vanessa Countryman, Secretary, SEC, from Brandon Becker, CAT NMS Plan Operating Committee Chair, re: Request for Exemption from Certain Provisions of the National Market System Plan Governing the Consolidated Audit Trail related to Timestamp Granularity (Mar. 24, 2025).

⁹ 15 U.S.C. 78f(b)(6).

¹⁰ 15 U.S.C. 78f(b)(8).

¹¹ See Securities Exchange Act Release No. 79318 (November 15, 2016), 81 FR 84696, 84697 (November 23, 2016).

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4(f)(6).

¹⁴ 15 U.S.C. 78s(b)(3)(A).

¹⁵ 17 CFR 240.19b-4(f)(6).

¹⁶ 17 CFR 240.19b-4(f)(6)(iii).

operative delay so that the proposed rule change may become operative immediately upon filing. The Commission believes that waiving 30-day operative delay is consistent with the protection of investors and the public interest because the proposal seeks to amend, effective upon filing, the Exchange's CAT Compliance Rule to reflect the expiration date for exemptive relief relating to timestamp granularity is now April 8, 2030, and the proposal does not introduce any novel regulatory issues. Accordingly, the Commission designates the proposed rule change to be operative upon filing.¹⁷

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-NYSETEX-2025-30 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-2025-30. 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-NYSETEX-2025-30 and should be submitted on or before October 6, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁸

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025-17724 Filed 9-12-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103936; File No. SR-NASDAQ-2025-053]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change To Amend the iShares Ethereum Trust To Permit Staking of Ether Under Nasdaq Rule 5711(d) (Commodity-Based Trust Shares)

September 10, 2025.

On July 16, 2025, The Nasdaq Stock Market LLC ("Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) ¹ of the Securities Exchange Act of 1934 ("Act") ² and Rule 19b-4 thereunder, ³ a proposed rule change to amend the iShares Ethereum Trust (the "Trust") under Nasdaq Rule 5711(d), to permit staking of ether held by the Trust. The proposed rule change was published for comment in the **Federal Register** on August 1, 2025.⁴

Section 19(b)(2) of the Act ⁵ provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the

proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day after publication of the notice for this proposed rule change is September 15, 2025. The Commission is extending this 45-day time period.

The Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the proposed rule change and the issues raised therein.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,⁶ designates October 30, 2025, as the date by which the Commission shall either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR-NASDAQ-2025-053).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025-17726 Filed 9-12-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103939; File No. 4-518]

Joint Industry Plan; Order Approving an Amendment to the National Market System Plan Establishing Procedures Under Rule 605 of Regulation NMS, as Modified by the Commission, To Reflect Recent Amendments to Rule 605 of Regulation NMS

September 10, 2025.

I. Introduction

On May 30, 2025,¹ FINRA, on behalf of itself and the parties ² to the National Market System Plan Establishing Procedures Under Rule 605 of Regulation NMS (the "Rule 605 NMS Plan" or "Plan"), filed with the

⁶ 15 U.S.C. 78s(b)(2).

⁷ 17 CFR 200.30-3(a)(31).

¹ See letter from Robert McNamee, Vice President and Associate General Counsel, Financial Industry Regulatory Authority, Inc. ("FINRA") dated May 30, 2025 ("Transmittal Letter").

² The current parties to the Plan ("Participants") are: 24X National Exchange LLC ("24X"); Cboe BZX Exchange, Inc.; Cboe BYX Exchange, Inc.; Cboe EDGA Exchange, Inc.; Cboe EDGX Exchange, Inc.; FINRA; Investors Exchange LLC; Long-Term Stock Exchange, Inc.; MEMX LLC; MIAAX PEARL, LLC; Nasdaq BX, Inc.; Nasdaq PHLX LLC; The Nasdaq Stock Market LLC; New York Stock Exchange, LLC; NYSE American LLC; NYSE Arca Inc.; NYSE Texas, Inc.; and NYSE National Inc. As discussed further below, 24X became a Participant on July 8, 2025.

¹⁷ For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹⁸ 17 CFR 200.30-3(a)(12) and (59).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ See Securities Exchange Act Release No. 103561 (July 29, 2025), 90 FR 36206. The Commission has received no comment letters on the proposed rule change.

⁵ 15 U.S.C. 78s(b)(2).

Securities and Exchange Commission (“Commission”), pursuant to Section 11A of the Securities Exchange Act of 1934 (“Exchange Act” or “Act”)³ and Rule 608 of Regulation National Market System (“NMS”) thereunder,⁴ a proposal to amend the Rule 605 NMS Plan.⁵ The proposal represents the first substantive amendment to the Plan (“Proposed Amendment”) and proposes to reflect the Commission’s recent amendments to Rule 605⁶ and to make certain technical updates to modernize the operation of the Plan. These changes were unanimously approved by the Participants. The Proposed Amendment was published for comment in the **Federal Register** on June 17, 2025.⁷ The Commission has not received any comments on the Proposed Amendment. This order approves the Proposed Amendment to the Plan, as modified herein with changes that the Commission deems are appropriate to reflect the addition of 24X as a Participant.⁸ The Commission finds that the Proposed Amendment, as modified, is appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanism of a national market system, or is otherwise in furtherance of the purposes of the Act.⁹ A copy of the Proposed Amendment, marked to reflect the technical modifications the Commission has made, is attached in Appendix A to this order.

II. Background and Description of the Proposal

A. Background

The Plan sets forth procedures for Rule 605 reporting entities to follow in making available to the public their monthly reports on execution quality in NMS stocks in a uniform, readily accessible, and usable electronic format. Currently, Section IV of the Plan provides an overview of the procedures under the Plan for reporting entities to make available to the public their Rule 605 reports in the form of electronic data files that meet the requirements set forth in Sections V and VI of the Plan. Section V of the Plan specifies the file type, compression, and naming requirements for Rule 605 reports, and Section VI of the Plan sets forth the required file structure to be used to publish the monthly reports. Sections VII, VIII, and IX of the Plan set forth requirements for making reports available to the public and detail the functions of a Designated Participant.¹⁰ Sections I, II, III, X, XI, and XII of the Plan pertain to administrative and operational matters, including definitions used in the Plan, specification of regular trading hours under the Plan, procedures for amending the Plan, and withdrawal of a Participant from the Plan.

B. Description of the Proposal

On March 6, 2024, the Commission adopted amendments to Rule 605, which, among other things, expand the scope of entities subject to Rule 605 (including larger broker-dealers, in addition to market centers), modify the categorization and content of information required to be disclosed in the detailed execution quality reports published under Rule 605 (including by modifying the scope of covered orders subject to disclosures), and require reporting entities to produce a summary report of execution quality in addition to the existing detailed disclosures regarding execution quality for covered orders in NMS stocks.¹¹

1. Changes To Incorporate Rule 605 Amendments

The Participants propose to amend the Plan to conform to the recent amendments to Rule 605 in several aspects. The Participants propose to amend the Plan to add references to brokers and dealers, in addition to market centers, in each instance where such reporting entities are referenced in the Plan.¹² In addition, the Participants propose to amend the Plan to include references to the new summary reports required under paragraph (a)(2) of Rule 605 in Sections IV, VII,¹³ and VIII of the Plan establishing procedures to make Rule 605 reports publicly available. The new summary reports would be made available in the same place, and in accordance with the same procedures, as the detailed reports.¹⁴

The Participants also propose to remove obsolete data fields and incorporate the new data fields required by Rule 605(a)(1) to be reflected in the detailed monthly reports. Specifically, the Participants propose to remove the existing text of Section VI(a) and instead incorporate by reference a new Exhibit A to the Plan. Exhibit A sets forth, in tabular format, each of the required data fields for the detailed monthly report, including the Column # in the file, the Rule 605 reference (if applicable), the required name of the Field Header (as described below), the Field Description, the Data Type (*i.e.*, String, Integer, or Decimal), Valid Values, and Additional Notes (including, *e.g.*, required rounding methodology as discussed below). The Participants also propose to add field headers for each data field included in the detailed reports required under Rule 605(a)(1), as specified in Exhibit A to the Plan. Within Exhibit A, the Participants propose a consistent rounding methodology to six decimal places for reporting values. The Participants also

¹² The Rule 605 Amendments also clarify the separate treatment of single dealer platforms and alternative trading systems for purposes of Rule 605 reports. The Proposed Amendment would also update footnotes in the Plan to reflect these clarifications.

¹³ The Participants also propose to amend Section VII to clarify that a market center, broker, or dealer shall make available the files containing the monthly reports for a period of three years from the initial date of posting on the internet site of the market center, broker, or dealer, as required by Rule 605(a)(5).

¹⁴ The Commission stated in the Rule 605 Amendments that “final Rule 605(a)(2) requires the use of the Commission’s schema for CSV format and associated PDF renderer, and therefore the Rule 605 NMS Plan does not establish the formats and fields for the summary report.” See Rule 605 Amendments, 89 FR 26428, 26490 n.846. Accordingly, the Participants are not proposing any specifications with respect to the summary reports in Sections V and VI of the Plan.

³ 15 U.S.C. 78k–1.

⁴ 17 CFR 242.608.

⁵ On April 21, 2001, the Commission approved a NMS plan for the purpose of establishing procedures for market centers to follow in making their monthly reports available to the public under Rule 11Ac1–5 under the Exchange Act (n/k/a Rule 605 of Regulation NMS (“Rule 605”)) (“Original Rule 605 NMS Plan Order”). See Securities Exchange Act Release No. 44177 (April 12, 2001), 66 FR 19814 (April 17, 2001). The Plan has been amended ten times since it was approved by the Commission, in each case solely to add new Participants to the Plan and most recently in July 2025. See Securities Exchange Act Release No. 103482 (July 17, 2025), 90 FR 34528 (July 22, 2025) (adding 24X as a Participant in the Plan) (“24X Amendment”). The Plan has not been substantively amended since it was originally approved by the Commission in 2001.

⁶ See *infra* note 11 and accompanying text.

⁷ See Securities Exchange Act Release No. 103243 (June 12, 2025), 90 FR 25721 (June 17, 2025) (“Notice”).

⁸ On July 8, 2025, 24X filed the 24X Amendment, which modified the Plan to add 24X as a Participant by adding 24X’s name in Section II(a) of the Plan and adding its single-digit code in Section VI(a)(1) of the Plan. The 24X Amendment became effective immediately upon filing pursuant to Rule 608(b)(3)(iii) of Regulation NMS, 17 CFR 242.608(b)(3)(iii), because it involved solely technical or ministerial matters. See 24X Amendment, *supra* note 5.

⁹ 17 CFR 242.608(b)(2).

¹⁰ See Section I of the Plan (defining the term “Designated Participant” as the Participant with which each reporting entity “has made the arrangements set forth in Section VIII of the Plan”).

¹¹ See Securities Exchange Act Release No. 99679 (March 6, 2024), 89 FR 26428 (April 15, 2024) (“Rule 605 Amendments”). When adopting the Rule 605 Amendments, the Commission stated that “the Rule 605 NMS Plan will need to be updated to: (1) incorporate references to broker-dealers subject to Rule 605; (2) account for summary reports that will be required under Rule 605(a)(2); and (3) incorporate the new data fields that will be required under Rule 605(a)(1) for the detailed reports.” *Id.* at 26496.

propose an order type categorization in Exhibit A that the Participants believe will facilitate users' ability to analyze the Rule 605 reports.¹⁵ Finally, the Participants propose to increase the maximum number of records to 240 for each individual security.¹⁶

2. Changes to the Operation of the Plan

The Participants also propose to make certain changes regarding the technical operation of the Plan. The Participants first propose to amend Section V of the Plan to modernize the file types required for the detailed monthly files required under Rule 605(a)(1). Specifically, the Participants propose to change the file type convention for uncompressed files to ".txt" rather than ".dat" format. Additionally, the Participants propose to add Gzip as an alternative compression standard, in addition to Zip, with the accompanying file extension of ".gz".

The Participants also propose to amend Section III(c) of the Plan, which currently provides that each Participant select a representative to form an Advisory Committee on Plan Amendments. Since this committee is formed by representatives of the Participants themselves, the Participants propose to rename it the Operating Committee of the Plan, in line with other, more recently adopted NMS plans. The Participants further propose to clarify that the Operating Committee will (i) monitor the operation of the procedures established pursuant to the Plan; (ii) consider any feedback or recommendations that it may receive from market participants regarding the procedures established pursuant to the Plan; and (iii) in consultation with market participants, as appropriate, recommend any amendments to the Plan as the Operating Committee may deem appropriate to correct any deficiencies or problems observed in, or otherwise improve, the operation of the procedures established pursuant to the Plan. The Proposed Amendment would

also clarify that any recommendation for an amendment to the Plan from the Operating Committee that receives a unanimous vote would be submitted to the Commission as a proposed amendment to the Plan.¹⁷

In addition, the Participants propose to add new Section IV(d) of the Plan to avoid duplicative efforts in circumstances where a reporting entity subject to Rule 605 is required by the rules of a self-regulatory organization ("SRO") to submit Rule 605 reports to the SRO for publication intended to facilitate centralized access to Rule 605 reports. Specifically, Section IV(d) would state that a reporting entity would not be subject to the requirement to provide a hyperlink to its Rule 605 reports to its Designated Participant, and such Designated Participant would not be required to post that reporting entity's hyperlink, to the extent the reporting entity is required by the rules of an SRO to submit its Rule 605 reports for centralized publication on a public website.

Last, the Participants propose to amend the requirements for the maintenance and identification of files by removing existing Section VIII(b) of the Plan and revising Section VIII(a) of the Plan to provide for both the assignment and publication of identification codes by Designated Participants. Specifically, amended Section VIII(a) would provide that the unique identification codes assigned to each market center, broker, or dealer shall be made available on a free and publicly accessible website, and would continue to require that the Designated Participants act jointly to assure that no market center, broker, or dealer is assigned a code that previously has been assigned.

3. Administrative Changes

The Participants propose to make several administrative changes to the Plan to (1) add a formal title to the Plan text; (2) add a preamble to the Plan; (3) update cross-references to Commission rules throughout the Plan; and (4) update the list of Plan Participants and associated addresses.

¹⁷ The Participants also propose to update Section III(c) to remove the current requirement that any recommendation receiving less than a unanimous vote (but at least a two-thirds vote) shall be submitted to the Commission as a request for rulemaking. The Participants do not believe this provision is needed, as each Participant, or any subset of Participants, has the independent ability to submit to the Commission a petition for rulemaking irrespective of any vote of the Operating Committee.

III. Discussion, Modifications by the Commission, and Commission Findings

After careful review, the Commission is approving the Proposed Amendment, as modified, for the reasons discussed below. Section 11A of the Act authorizes the Commission, by rule or order, to authorize or require the self-regulatory organizations to act jointly with respect to matters as to which they share authority under the Act in planning, developing, operating, or regulating a facility of the national market system.¹⁸ Rule 608 of Regulation NMS authorizes two or more SROs, acting jointly, to file with the Commission proposed amendments to an effective NMS Plan,¹⁹ and further provides that the Commission shall approve an amendment to an effective NMS Plan, with such changes or subject to such conditions as the Commission may deem necessary or appropriate, if it finds that the amendment is necessary or appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanisms of, a national market system, or otherwise in furtherance of the purposes of the Act.²⁰

The Proposed Amendment, as modified, is consistent with the Act and, for the reasons described below, meets the applicable standard provided in Rule 608 of Regulation NMS.²¹ The original Rule 605 Plan was approved in 2001²² and the Plan has not been updated since that time, except to add new Participants to the Plan. Rule 605(a)(3) provides that every national securities exchange on which NMS stocks are traded and each national securities association shall act jointly in establishing procedures for market centers, brokers, and dealers to follow in making available to the public the reports required by Rule 605 in a uniform, readily accessible, and usable electronic form.²³ Accordingly, the Plan must be amended to incorporate changes made to Rule 605 in the recent Rule 605 Amendments.²⁴ Overall, the Proposed Amendment ensures the Plan continues to provide appropriate procedures for market centers, brokers, and dealers to follow in making their monthly reports required pursuant to Rule 605 available to the public in a uniform, readily accessible, and usable

¹⁵ The Participants propose order type codes that correspond to a tabular layout as follows: Market Orders—"MXXNN"; Marketable Limit Orders—"LYNNN"; Marketable IOC Orders—"LYNYN"; Midpoint-or-better Limit Orders—"LNYNN"; Midpoint-or-better Limit IOC Orders—"LNYYN"; Executable non-marketable Limit Orders—"LNNNN"; Executable non-marketable IOC Orders—"LNNYN"; Executable Stop Market Orders—"MXXNY"; Executable Stop marketable Limit Orders—"LYNNY"; Executable Stop non-marketable Limit Orders—"LNNNY." In this symbology, "M" means market, "L" means limit, "X" means not relevant to the order type (*i.e.*, it cannot occur), "Y" means yes (*i.e.*, the attribute applies), and "N" means no (*i.e.*, the attribute does not apply).

¹⁶ The Participants also propose to update Section VI(b) to remove outdated examples of when there may be no data for a particular field.

¹⁸ See 15 U.S.C. 78k-1(a)(3)(B).

¹⁹ See 17 CFR 242.608.

²⁰ See 17 CFR 242.608(b)(2).

²¹ See 17 CFR 242.608.

²² See Original Rule 605 NMS Plan Order, *supra* note 5.

²³ 17 CFR 242.605(a)(3).

²⁴ See *supra* note 11.

electronic format. The Proposed Amendment will therefore promote uniform public disclosure of order execution information by all reporting entities. Moreover, the Proposed Amendment will update and modernize operation of the Plan.

The Participants propose to amend the Plan to conform to the Rule 605 Amendments in several aspects. The Participants propose to include throughout the Plan references to broker-dealers subject to Rule 605 and references to the summary reports that are required under Rule 605(a)(2). The Participants also propose to incorporate the new data fields required under Rule 605(a)(1) for detailed reports and remove obsolete data fields, in part by providing new Exhibit A to the Plan, which will set forth the required data fields in tabular format rather than descriptive text.

The Proposed Amendment updates the Plan to reflect the recent Rule 605 Amendments.²⁵ In the Rule 605 Amendments, the Commission, among other things, expanded the scope of reporting entities subject to Rule 605 to include, in addition to market centers, broker-dealers who introduce or carry 100,000 or more customer accounts.²⁶ The Commission also required all reporting entities subject to Rule 605 to publish, in addition to the existing detailed monthly execution quality report, a new monthly summary report.²⁷ In addition, the Commission adopted new execution quality statistics to be provided in the Rule 605(a)(1) detailed monthly reports of market center, brokers, and dealers.²⁸ The

Participants proposed new Exhibit A to present the file structure requirements for the data required by Rule 605(a)(1) in a chart format and included new column headers, a proposed rounding methodology, and a proposed order type categorization. According to the Participants, the proposed requirements were designed, in consultation with market participants,²⁹ in an effort to develop a detailed data file format that provides the execution quality information required to be disclosed under Rule 605(a)(1) in the most useful and efficient manner for users of the data consistent with current industry standards.³⁰ The proposed changes to the content and format of the data files should make the files both more efficient to populate for reporting entities and more readable and comparable for users of the data.

As discussed above, the Participants also proposed to make certain changes to the technical operation of the Plan. These technical and operational updates should modernize the operation of the Plan and are consistent with the requirements of Rule 605. Among other things, the proposed file format and addition of an alternative compression standard could benefit users by improving readability and compatibility of files and aiding in the storage and transfer of the detailed monthly files required by Rule 605. The proposed changes to the former Advisory Commission on Plan Amendments clarify the role of the Operating Committee going forward and could help Plan Participants consider feedback from market participants with respect to the need for, or content of, any future amendments to the Plan.³¹ The proposed changes provide an exception to the requirement that the reporting entity and Designated Participant must each provide and post

a hyperlink to the reporting entity's Rule 605 reports in cases where the reporting entity is required by the rules of an SRO to provide its Rule 605 reports for centralized publication on a public website. This should mitigate the likelihood of duplication where the purpose of the Designated Participant hyperlink posting is already fulfilled through other means.³² The proposed changes to the procedures regarding maintenance and identification of files would remove outdated requirements and provide greater flexibility to Designated Participants regarding the method by which the Participants assign and publish the unique identification codes assigned to each market center, broker, or dealer.

The Participants also propose to make several administrative changes to the Plan to (1) add a formal title to the Plan text; (2) add a Preamble to the Plan; (3) update cross-references to Commission rules throughout the Plan; and (4) update the list of Plan Participants and associated addresses. These proposed changes will improve readability of the Plan. The changes will also help avoid confusion regarding information concerning Plan Participants.

Finally, subsequent to the date that the Participants filed the Proposed Amendment, 24X became a Participant to the Plan.³³ Accordingly, the Commission deems it appropriate to modify the Proposed Amendment to (1) add 24X's name in Section II(a) of the Plan; and (2) add 24X's single-digit code to the list of codes to be used to identify the Participant that is acting as the reporting entity's Designated Participant in Exhibit A to the Plan.

³² See Securities Exchange Act Release No. 103325 (June 25, 2025), 90 FR 27882, 27884 (June 30, 2025) (approving SR-FINRA-2025-002, which adopted FINRA Rule 6152 to require FINRA members to submit their order execution reports for NMS stock to FINRA for publication on the FINRA website, and stating that "the creation of a centralized electronic repository will promote greater transparency by better enabling market participants to access and evaluate the reports of multiple reporting entities because the reports would be available at a single location").

³³ See *supra* note 8 (stating that the 24X Amendment, which was immediately effective pursuant to Rule 608(b)(3)(iii), added 24X's name in Section II(a) of the Plan and added its single-digit code in Section VI(a)(1) of the Plan). Under the Proposed Amendment, Section VI(a) of the Plan will provide that the order and format fields required under Rule 605(a)(1) will be set forth in Exhibit A to the Plan. Thus, whereas Section VI(a)(1) of the original Plan set forth the codes identifying the Participant that is acting as Designated Participant for the market center, as proposed, Exhibit A will specify the codes to be used to identify the Participant that is acting as the reporting entity's Designated Participant.

²⁵ See Rule 605 Amendments, *supra* note 11, at 26496.

²⁶ See Rule 605(a)(7).

²⁷ See Rule 605(a)(2).

²⁸ See Rule 605(a)(1). The Rule 605 Amendments amended the scope of the detailed monthly reports required under Rule 605(a)(1), including by amending the definition of "covered order" to include any non-marketable limit order ("NMLO") (including an order submitted with a stop price) received outside of regular trading hours that become executable after the opening or reopening of trading during regular trading hours; certain orders submitted with stop prices, and non-exempt short sales orders when a short sale price test is not in effect; modifying existing order size categories to base them on a notional dollar value range with an indication that the category reflects orders that were for an odd-lot, a round lot, or less than a share; establishing four new order type categories: marketable immediate-or-cancel orders, executable market orders submitted with stop prices, executable market limit orders submitted with stop prices, and executable non-marketable limit orders with stop prices; and replacing the three existing categories of non-marketable order types with four new order types (midpoint-or-better limit orders, midpoint-or-better immediate-or-cancel orders, non-marketable limit orders, and non-marketable immediate-or-cancel orders). Further, the Rule 605 Amendments amended the content of the detailed

monthly reports to require more granular time-to-execution buckets measured in milliseconds or finer; realized spread statistics calculated using additional time horizons; and new statistical measures of execution quality, including: average effective spread divided by quoted spread; percentage-based effective and realized spread statistics; a size improvement benchmark and statistic; statistical measures that could be used to measure execution quality of NMLOs; and additional price improvement statistics for market and marketable orders.

²⁹ See, e.g., Transmittal Letter, *supra* note 1, at 5.

³⁰ See Notice, *supra* note 7, at 25722.

³¹ The proposed changes regarding the Operating Committee would not substantively alter the threshold for submission of a proposed amendment to the Plan, as the current Plan already requires that a proposed amendment be executed on behalf of each Participant. Further, each Participant, or any subset of Participants, has the independent ability to submit to the Commission a petition for rulemaking irrespective of any vote of the Operating Committee.

IV. Conclusion

For the reasons discussed above, the Commission finds that the Proposed Amendment, as modified, is consistent with the requirements of section 11A of the Exchange Act,³⁴ and Rule 608 thereunder,³⁵ and that the Proposed Amendment is appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanism of, a national market system, or otherwise in furtherance of the purposes of the Exchange Act.

It is therefore ordered, pursuant to Section 11A of the Act,³⁶ and

Rule 608(b)(2) thereunder,³⁷ that the Proposed Amendment to the Plan (File No. 4–518), as modified herein, is approved.

By the Commission.

Sherry R. Haywood,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103938; File No. SR–NYSEARCA–2025–69]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the NYSE Arca Equities Fees and Charges

September 10, 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 August 29, 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 the NYSE Arca Equities Fees and Charges

(“Fee Schedule”) to modify Ratio Threshold Fees. 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 on 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend the Fee Schedule to modify Ratio Threshold Fees, which apply to orders ranked Priority 2—Display Orders and to shares of Auction-Only Orders that have a disproportionate ratio of orders that are not executed.³ More specifically, the Exchange proposes to eliminate the Ratio Threshold Fee that applies to orders ranked Priority 2—Display Orders and to modify the manner in which the Ratio Threshold Fee that applies to Auction-Only Orders is calculated. The Exchange also proposes to adopt an exemption from the RT—Auction Fee for the first month that an ETP Holder is subject to the fee during a 12-month period.

The Exchange proposes to implement the fee changes effective August 29, 2025.⁴

Background

The Exchange operates in a highly competitive market. The Commission has repeatedly expressed its preference for competition over regulatory

intervention in determining prices, products, and services in the securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”⁵

While Regulation NMS has enhanced competition, it has also fostered a “fragmented” market structure where trading in a single stock can occur across multiple trading centers. When multiple trading centers compete for order flow in the same stock, the Commission has recognized that “such competition can lead to the fragmentation of order flow in that stock.”⁶ Indeed, equity trading is currently dispersed across 16 exchanges,⁷ numerous alternative trading systems,⁸ and broker-dealer internalizers and wholesalers, all competing for order flow. Based on publicly available information, no single exchange currently has more than 17% market share.⁹ Therefore, no exchange possesses significant pricing power in the execution of equity order flow. More specifically, the Exchange currently has less than 10% market share of executed volume of equities trading.¹⁰

The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can move order flow, or discontinue or reduce use of certain categories of products, based on transaction fees and credits. Accordingly, the Exchange’s fees, including the proposed modification to the Ratio Threshold Fee, are reasonably constrained by competitive alternatives and market participants can readily trade on competing venues if they deem pricing

⁵ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (File No. S7–10–04) (Final Rule) (“Regulation NMS”).

⁶ See Securities Exchange Act Release No. 61358, 75 FR 3594, 3597 (January 21, 2010) (File No. S7–02–10) (Concept Release on Equity Market Structure).

⁷ See Cboe U.S. Equities Market Volume Summary, available at https://markets.cboe.com/us/equities/market_share.

⁸ See FINRA ATS Transparency Data, available at <https://otctransparency.finra.org/otctransparency/AtsIssueData>. A list of alternative trading systems registered with the Commission is available at <https://www.sec.gov/foia/docs/atstlist.htm>.

⁹ See Cboe Global Markets U.S. Equities Market Volume Summary, available at http://markets.cboe.com/us/equities/market_share/.

¹⁰ See *id.*

³⁴ 15 U.S.C. 78k–1.

³⁵ 17 CFR 242.608(b)(2).

³⁶ 15 U.S.C. 78k–1.

³⁷ 17 CFR 242.608(b)(2).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 88930 (May 21, 2020), 85 FR 32068 (May 28, 2020) (SR–NYSEARCA–2020–45) (“Ratio Threshold Fee Filing”). See also Securities Exchange Act Release No. 97681 (June 9, 2023), 88 FR 39275 (June 15, 2023) (SR–NYSEARCA–2023–39).

⁴ The Exchange originally filed to amend the Fee Schedule on August 1, 2025 (SR–NYSEARCA–2025–56). SR–NYSEARCA–2025–56 was withdrawn on August 12, 2025, and replaced by SR–NYSEARCA–2025–58. SR–NYSEARCA–2025–58 was withdrawn on August 21, 2025, and replaced by SR–NYSEARCA–2025–62. SR–NYSEARCA–2025–62 was withdrawn on August 29, 2025, and replaced by this filing.

levels at those other venues to be more favorable.

Proposed Rule Change

The Ratio Threshold Fee currently applies to orders ranked Priority 2—Display Orders (“RT—Display Fee”) and to shares of Auction-Only Orders during the period when Auction Imbalance information is being disseminated for a Core Open Auction or Closing Auction (“RT—Auction Fee”). The purpose of this proposed rule change is to eliminate the RT—Display Fee in its entirety and remove reference to the RT—Display Fee from the Fee Schedule. The Exchange has observed that ETP Holders have altered their order entry practices since the RT—Display Fee was initially adopted and very few ETP Holders have been subject to the RT—Display Fee since the inception of the fee. The Exchange believes it is appropriate to eliminate this fee and remove it from the Fee Schedule. The Exchange would rather redirect future resources into other programs, including as proposed herein, by modifying the RT—Auction Fee.

With this proposed rule change, the Exchange also proposes to modify the manner in which the RT—Auction Fee is calculated. The purpose of the modification to the RT—Auction Fee is to disincentivize the cancellation of shares close to the commencement of the Opening Auction and the Closing Auction. As described below, pursuant to a formula, shares cancelled closer to the Opening Auction and the Closing Auction would be weighted more than shares that are cancelled further away from such auctions. As proposed, the RT—Auction Fee would be calculated based on the number of shares cancelled by an ETP Holder and would no longer be based on the ratio of shares that are cancelled relative to shares that are executed by an ETP Holder. The proposed modifications are discussed below.

Currently, for Auction-Only Orders,¹¹ ETP Holders with an average daily number of orders of 10,000 or more are charged an RT—Auction Fee on a monthly basis.¹² With this proposed

rule change, the Exchange proposes that, in calculating the RT—Auction Fee, the Exchange would replace the average daily number of orders with the average daily number of cancelled shares. As proposed, ETP Holders with an average daily number of 500,000 or more cancelled shares for each auction would be charged an RT—Auction Fee, if the ETP Holder’s Weighted Ratio Shares Threshold (described below) is greater than or equal to 25.

In revising the manner by which the RT—Auction Fee would be calculated, the Exchange proposes to modify the definition of “Ratio Shares.” Currently, “Ratio Shares” is defined as the average daily number of shares of Auction-Only Orders that are cancelled by the ETP Holder at a disproportionate ratio to the average daily number of shares executed by that ETP Holder. As proposed, the number of “Ratio Shares” would be the total number of shares of marketable Auction-Only Orders that are cancelled by the ETP Holder. The Exchange proposes to modify the definition of “Ratio Shares” to also include “marketable” Auction-Only Orders as these orders directly interact with the imbalance information that is disseminated in real time to market participants. Lastly, the Exchange proposes to exclude orders entered by Market Makers, and not just Lead Market Makers, as is currently the case, from the calculation of Ratio Shares. The Exchange believes it is appropriate to exclude all orders from Market Makers, not just orders from Lead Market Makers, because Market Makers on the Exchange are already subject to rule-based standards designed to promote the efficiency and quality of their order entry practices.¹³

The revised definition of “Ratio Shares” would be as follows:

cancellation practices of ETP Holders. Accordingly, as proposed, for Auction-Only Orders, Ratio Shares would include shares of Auction-Only Orders cancelled during the period when Auction Imbalance Information is being disseminated for the Core Open Auction and Closing Auction. The proposed modification to the calculation method would maintain the same focus and is intended to disincentivize the activity noted above.

¹³ Pursuant to Rule 7.24–E, among other things, all registered Market Makers, including Lead Market Makers, have an obligation to maintain minimum performance standards. Additionally, pursuant to Rule 7.23–E, all registered Market Makers, including Lead Market Makers, have an obligation to maintain continuous, two-sided trading interest in those securities in which the Market Maker is registered to trade. Although Rule 7.23–E allows Market Makers to quote at wide spreads, the Exchange’s assessment of Market Maker performance has led it to conclude that Market Makers do not generally engage in inefficient order entry practices. The Exchange will continually assess Market Maker performance pursuant to Exchange rules as needed to promote efficient order entry practices by Market Makers.

• The number of “Ratio Shares” is the total number of shares of marketable Auction-Only Orders that are cancelled by the ETP Holder. Marketable Auction-Only Orders are all market orders and limit orders priced better than the reference price disseminated in the imbalance feed at the time of order entry. Orders ranked Priority 2—Display Orders designated for the Core Trading Session only that are entered during the period when Auction Imbalance Information for the Core Open Auction is being disseminated are included in the Ratio Shares calculation.¹⁴ All orders entered by an ETP Holder for securities in which it is registered as a Market Maker are not included in the calculation of Ratio Shares.

Further, as proposed, Ratio Shares would be weighted based on the time of day they are cancelled, with later cancellations receiving a larger weight (“Weighted Ratio Shares”). The weight ranges would be applied as follows, with the weight fluctuating linearly (in seconds) within the range:

- For the Opening Auction:
 - Ratio Shares that are cancelled more than 30 minutes prior to the Opening Auction, the weight range would be 1–2;
 - Ratio Shares that are cancelled five to 30 minutes prior to the Opening Auction, the weight range would be 2–3;
 - Ratio Shares that are cancelled one to five minutes prior to the Opening Auction, the weight range would be 3–5; and
 - Ratio Shares that are cancelled less than one minute prior to the Opening Auction, the weight range would be 5–10.
- For the Closing Auction:
 - Ratio Shares that are cancelled more than 30 minutes prior to the Closing Auction, the weight range would be 1–2;
 - Ratio Shares that are cancelled 10 to 30 minutes prior to the Closing Auction, the weight range would be 2–3;
 - Ratio Shares that are cancelled five to 10 minutes prior to the Closing

¹¹ An Auction-Only Order is a Limit or Market Order that is to be traded only within an auction pursuant to Rule 7.35–E or routed pursuant to Rule 7.34–E. See Rule 7.31–E(c). Auction-Only Orders are orders submitted by an ETP Holder during the Early Open Auction, Core Open Auction, Closing Auction and Trading Halt Auction. See Rule 7.35–E.

¹² The current fee focuses on Auction-Only Orders because a disproportionate amount of such orders that are not executed use more system resources, including updates to the Auction Imbalance Information as such orders are entered and cancelled, than other order entry and

¹⁴ For purposes of the Ratio Threshold Fee, orders ranked Priority 2—Display Orders designated for the Core Trading Session only that are cancelled during the period when Auction Imbalance Information for the Core Open Auction is being disseminated are included in the calculation of the RT—Auction Fee. The Exchange includes such orders as Auction-Only Orders for purposes of such fee because prior to the Core Open Auction, such orders would not be eligible to trade, yet such orders would be included in the imbalance calculation for the Core Open Auction. This aspect of the RT—Auction Fee remains the same as it was when the Ratio Threshold Fee was initially adopted.

Auction, the weight range would be 3–5; and

- Ratio Shares that are cancelled less than five minutes prior to the Closing Auction, the weight range would be 5–10.

The Exchange also proposes to modify the definition of Ratio Shares Threshold to add the term “Weighted” to the current definition so that the definition would reflect the proposed time-based weighting of Ratio Shares that are cancelled. The Exchange also proposes to replace “average daily” executed shares with “total” executed shares and specify that a threshold is determined for each auction separately. The revised definition would be as follows:

- The “Weighted Ratio Shares Threshold” is an ETP Holder’s total Weighted Ratio Shares for the billing month divided by the total executed shares by the ETP Holder in each auction.

The Exchange also proposes to adopt a new defined term, Ratio Share Differential, that would be used to determine the fee that an ETP Holder would pay under the proposed modified calculation method. As proposed, the term “Ratio Share Differential” would be as follows:

- The “Ratio Share Differential” is an ETP Holder’s total Ratio Shares minus

the total executed shares for the billing month by the ETP Holder in each auction.

As is the case currently, the Exchange would continue to charge the RT—Auction Fee for Auction-Only Orders during the period when Auction Imbalance Information is being disseminated.¹⁵

The Exchange currently does not charge the RT—Auction Fee if Auction-Only Orders have a Ratio Shares Threshold of less than 25. Currently, if the Ratio Shares Threshold is greater than or equal to 25, the fee is as follows:

- No Charge for ETP Holders with an average of fewer than 10 million Ratio Shares per day.
- \$5.00 per million Ratio Shares for ETP Holders with an average of 10 million to 100 million Ratio Shares per day.
- \$15.00 per million Ratio Shares for ETP Holders with an average of more than 100 million Ratio Shares per day.

The Exchange proposes to eliminate the current tiered fees applicable to ETP Holders that have a Ratio Shares Threshold that is greater than or equal to 25.

With this proposed rule change, ETP Holders would be charged a fee equal to their Weighted Ratio Shares Threshold (in dollars) per 100,000 Ratio Shares

Differential. Lastly, the Exchange proposes to modify the cap applicable to the Ratio Threshold Fee. As proposed, the RT—Auction Fee for an ETP Holder would be capped at \$500,000 per month for each auction, for a total RT—Auction Fee cap of \$1,000,000 per month.

The following example illustrates the calculation of the RT—Auction Fee for Auction-Only Orders in the Closing Auction, as modified by this proposed rule change.

- In the month of June (which has 21 trading days), ETP Holder A:
 - Executed a total of 7,000,000 shares in the Closing Auction;
 - Cancelled a total of 50,000,000 shares on various days at 15:00:01;
 - Cancelled a total of 30,000,000 shares on various days at 15:35:10;
 - Cancelled a total of 15,000,000 shares on various days at 15:53:30;
 - Cancelled a total of 5,000,000 shares on various days at 15:58:59.

Given the above activity, ETP Holder A had:

- Ratio Shares equal to 100,000,000 ¹⁶ shares
- Average Daily Cancelled Shares equal to 4,761,905 ¹⁷ shares
- Weighted Ratio Shares equal to 233,673,611 shares, calculated as follows:

Ratio shares	Cancel time	Cancel time period	Minimum period weight	Maximum period weight	Seconds from start of time period	Seconds in time period	Seconds as % of time period	Weight	Weighted ratio shares
50,000,000	15:00:01	15:00:00–15:30:00	1	2	1	1,800	0.056	1.00056	50,027,778
30,000,000	15:35:10	15:30:00–15:50:00	2	3	310	1,200	25.833	2.25833	67,750,000
15,000,000	15:53:30	15:50:00–15:55:00	3	5	210	300	70.000	4.40000	66,000,000
5,000,000	15:58:59	* 15:55:00–15:59:00	5	10	239	240	99.583	9.97917	49,895,833
100,000,000 .....	.....	.....	.....	.....	.....	.....	.....	.....	233,673,611

* Pursuant to Rule 7.35–E.(d)(2), the Closing Auction Imbalance Freeze begins one minute before the scheduled time for the Closing Auction.

** This calculation is based on the Ratio Shares amount multiplied by the Weight for each cancelled activity, as follows:

• 50,000,000 * 1.00056 = 50,027,778.
• 30,000,000 * 2.25833 = 67,750,000.
• 15,000,000 * 4.40000 = 66,000,000.
• 5,000,000 * 9.97917 = 49,895,833.

Weight = (Minimum Period Weight) + (Seconds from start of Time Period/Seconds in Time Period) * (Max weight – Min weight).
e.g., 4.4000 = 3 + (210/300) * (5 – 3).

¹⁵ See Rules 7.35–E(c)(1) (Core Open Auction Imbalance Information begins at 8:00 a.m. ET) and 7.35–E(d)(1) (Closing Auction Imbalance Information begins at 3:00 p.m. ET).

¹⁶ This calculation is based on the total number of cancelled shares during the month (50,000,000 + 30,000,000 + 15,000,000 + 5,000,000).

¹⁷ This calculation is based on the total number of cancelled shares during the month (100,000,000) divided by the number of trading days in the month (21).

- Weighted Ratio Shares Threshold of 33.38194442857143¹⁸
- Ratio Share Differential of 93,000,000¹⁹

Based on ETP Holder A's activity during the month, ETP Holder A would be charged a RT—Auction Fee equal to \$31,045 for June, calculated as follows: Weighted Ratio Shares Threshold * (Ratio Share Differential/100,000), or 33.38194442857143 * (93,000,000/100,000) = \$31,045 (rounded down to the nearest dollar).

Finally, the Exchange proposes to adopt an exemption from the RT—Auction Fee for the first month that an ETP Holder is subject to the fee during a 12-month period (the “Exemption”), similar to the exemption currently offered by the Exchange's affiliates, NYSE Arca Options²⁰ and NYSE American Options.²¹ The Exchange believes that the Exemption could help protect ETP Holders from incurring the RT—Auction Fee when they first encounter greater than expected cancellation of shares in a 12-month period, such as when they are new to the trading platform, deploying new technologies, or testing different trading strategies, thereby encouraging ETP Holders to maintain their trading activity on the Exchange by mitigating the initial impact of the revised RT—Auction Fee.

With this proposed rule change, the Exchange proposes to recalibrate the application of the RT—Auction Fee. The Exchange believes the proposed modification to the calculation of the RT—Auction Fee will continue to strengthen the Exchange's goal of providing a more efficient marketplace and enhance the trading experience of all ETP Holders by encouraging them to more efficiently participate on the Exchange.

As noted in the Ratio Threshold Fee Filing, the purpose of the Ratio Threshold Fee is not to create revenue,

but rather to provide an incentive for a small number of ETP Holders to change their order entry practices. Based on an analysis of order entry practices by ETP Holders between May 2025 and July 2025, only 3 ETP Holders would have incurred the RT—Auction Fee, as modified by this proposed rule change. The Exchange does not anticipate the proposed recalibration would subject any additional ETP Holders to the RT—Auction Fee.

The Ratio Threshold Fee is intended to encourage efficient usage of Exchange systems by ETP Holders. The Exchange believes that it is in the best interests of all ETP Holders and investors who access the Exchange to encourage efficient systems usage. Unproductive share entry and cancellation practices, such as when ETP Holders flood the market with orders that are frequently and/or rapidly cancelled, do little to support meaningful price discovery, may create investor confusion about the extent of trading interest in a security. The Exchange further believes that inefficient order entry practices of a small number of ETP Holders may place excessive burdens on Exchange systems and to the systems of other ETP Holders that are ingesting market data, while also negatively impacting the usefulness of market data feeds that transmit each order and subsequent cancellation.²² ETP Holders with an excessive amount of cancelled shares relative to executed shares do little to support meaningful price discovery.

As noted above, only a small number of ETP Holders are executing orders at a disproportionately low ratio to the number of orders that have been entered and, thus, the impact of the current fee has been narrow and limited to those ETP Holders. These ETP Holders could avoid the fee by changing their behavior.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,²³ in general, and furthers the objectives of Sections

6(b)(4) and (5) of the Act,²⁴ in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The Exchange believes that the proposed fee change would help 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, because it is designed to reduce the numbers of orders and shares being entered and then cancelled prior to an execution.

The Proposed Changes Are Reasonable

As discussed above, the Exchange operates in a highly fragmented and competitive market. The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Specifically, in Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”²⁵

As the Commission itself recognized, the market for trading services in NMS stocks has become “more fragmented and competitive.”²⁶ Indeed, equity trading is currently dispersed across 13 exchanges,²⁷ numerous alternative trading systems,²⁸ and broker-dealer internalizers and wholesalers, all competing for order flow. Based on

¹⁸ This calculation is the product of the Weighted Ratio Shares (233,673,611) divided by the total number of shares executed during the month (7,000,000).

¹⁹ This calculation is the product of the total number of cancelled shares during the month (100,000,000) minus the total number of shares executed during the month (7,000,000).

²⁰ See NYSE Arca Options Fee Schedule, Monthly Excessive Bandwidth Utilization Fee, available at https://www.nyse.com/publicdocs/nyse/markets/arca-options/NYSE_Arca_Options_Fee_Schedule.pdf (“The Fee will not be assessed for the first occurrence in a rolling 12-month period.”).

²¹ See NYSE American Options Fee Schedule, Section II. Monthly Excessive Bandwidth Utilization Fees, available at https://www.nyse.com/publicdocs/nyse/markets/american-options/NYSE_American_Options_Fee_Schedule.pdf (“The Fee will not be assessed for the first occurrence in a rolling 12-month period.”).

²² See generally Recommendations Regarding Regulatory Responses to the Market Events of May 6, 2010, Joint CFTC–SEC Advisory Committee on Emerging Regulatory Issues, at 11 (February 18, 2011) (“The SEC and CFTC should also consider addressing the disproportionate impact that [high frequency trading] has on Exchange message traffic and market surveillance costs. . . . The Committee recognizes that there are valid reasons for algorithmic strategies to drive high cancellation rates, but we believe that this is an area that deserves further study. At a minimum, we believe that the participants of those strategies should properly absorb the externalized costs of their activity.”).

²³ 15 U.S.C. 78f(b).

²⁴ 15 U.S.C. 78f(b)(4) and (5).

²⁵ See Regulation NMS, *supra* note 6, 70 FR at 37499.

²⁶ See Securities Exchange Act Release No. 51808, 84 FR 5202, 5253 (February 20, 2019) (File No. S7–05–18) (Final Rule).

²⁷ See Cboe U.S. Equities Market Volume Summary, available at https://markets.cboe.com/us/equities/market_share. See generally <https://www.sec.gov/fast-answers/divisionsmarketregmrexchangesshtml.html>.

²⁸ See FINRA ATS Transparency Data, available at <https://otctransparency.finra.org/otctransparency/AtsIssueData>. A list of alternative trading systems registered with the Commission is available at <https://www.sec.gov/foia/docs/atlist.htm>.

publicly-available information, no single exchange currently has more than 17% market share (whether including or excluding auction volume).²⁹ The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow, or discontinue or reduce use of certain categories of products, in response to fee changes. Accordingly, the Exchange's fees, including the proposed modification to the RT—Auction Fee is reasonably constrained by competitive alternatives and market participants can readily trade on competing venues if they deem pricing levels at those other venues to be more favorable.

The Exchange believes that the proposed change to the RT—Auction Fee is reasonable because it is designed to achieve improvements in the quality of liquidity, particularly in advance of auctions, on the Exchange for the benefit of all market participants. In addition, the proposed change is reasonable because market participants may readily avoid the fee by adjusting their order entry and/or cancellation practices, which would result in more shares being executed rather than being cancelled.

Although only a small number of ETP Holders have been impacted since the Ratio Threshold Fee was implemented, the Exchange believes the proposed change to the manner in which the RT—Auction Fee is calculated is necessary to incent the small number of ETP Holders whose trading behavior imposes on others through order entry practices resulting in a disproportionate ratio of executed orders or shares to those that are not executed. Accordingly, the Exchange believes that it is fair to modify the manner in which the RT—Auction Fee is calculated and impose the fee on these market participants in order to incentivize them to modify their practices and thereby benefit the market.

As noted above, the purpose of the proposed fee is not to generate revenue for the Exchange, but rather to provide an incentive for a small number of ETP Holders to change their order entry and/or cancellation behavior. As a general principal, the Exchange believes that greater participation on the Exchange by ETP Holders improves market quality for all market participants. Thus, in modifying the current fee, the Exchange balanced the desire to improve market quality against the need to discourage

inefficient order entry and/or cancellation practices.

The Exchange notes that the notion of a fee that incentivizes efficient order entry and/or cancellation practices is not novel. The Exchange's options market, NYSE Arca Options, charges a fee to OTP Holders to disincentivize a disproportionate amount of messages sent to Arca Options that do not result in executions.³⁰ In addition, the New York Stock Exchange charges a Ratio Threshold Fee to incentivize efficient order entry practices by that exchange's members.³¹

The Exchange believes that the proposed Exemption is reasonable because no ETP Holder would be assessed the RT—Auction Fee for the first month that it is subject to the fee during a 12-month period and is designed to potentially protect firms that are, for example, new to the trading platform, deploying new technologies, or testing different trading strategies, from incurring the fee and affording them an opportunity to assess their order entry and/or cancellation practices. To the extent the proposed Exemption encourages ETP Holders to maintain their trading activity on the Exchange, the Exchange believes the Exemption would sustain the Exchange's overall competitiveness and its market quality for all market participants.

The Exchange believes that the proposed rule change to eliminate the RT—Display Fee is reasonable given the change in behavior by ETP Holders since the fee was initially adopted. The Exchange believes eliminating the RT—Display Fee and removing it from the Fee Schedule would also simplify the Fee Schedule and add clarity to the Fee Schedule.

The Proposal Is An Equitable Allocation of Fees

The Exchange believes that the proposed change to the RT—Auction Fee is equitably allocated among its market participants. Although only a small number of ETP Holders may be subject to the RT—Auction Fee based on their current trading practices, any ETP Holder could decide to change its order entry practices at any time and thus avoid the fee. The fee is therefore designed to encourage better order entry practices by all ETP Holders for the benefit of all market participants.

³⁰ See Monthly Excessive Bandwidth Utilization Fee, at https://www.nyse.com/publicdocs/nyse/markets/arca-options/NYSE_Arca_Options_Fee_Schedule.pdf.

³¹ See Ratio Threshold Fees, at https://www.nyse.com/publicdocs/nyse/markets/nyse/NYSE_Price_List.pdf.

Moreover, as noted above, the purpose of the fee is not to generate revenue for the Exchange, but rather to provide an incentive for a small number of ETP Holders to change their order entry and/or cancellation behavior.

The Exchange believes that the proposal constitutes an equitable allocation of fees because all similarly situated ETP Holders would be subject to the fee. As noted above, the Exchange believes that because having a disproportionate ratio of unexecuted orders is a problem associated with a relatively small number of ETP Holders, the impact of the proposal would be limited to those ETP Holders, and only if they do not alter their trading practices. The Exchange believes the proposal would encourage ETP Holders that could be impacted to modify their practices in order to avoid the fee, thereby improving the market for all participants.

The Exchange believes the proposal to adopt the Exemption is an equitable allocation of fees and credits because it would be available to all ETP Holders such that no ETP Holder would be assessed the RT—Auction Fee for the first month that it is subject to the fee during a 12-month period. In addition, to the extent that the Exemption encourages ETP Holders to maintain their trading activity on the Exchange by mitigating the initial impact of the RT—Auction Fee, the Exchange believes the proposed change would promote the Exchange's competitiveness to the benefit of all market participants.

The Exchange believes that eliminating the RT—Display Fee from the Fee Schedule is equitable because the fee would be eliminated in its entirety and would no longer be charged to any ETP Holder. The Exchange also believes that the proposed change would protect investors and the public interest because the deletion of the RT—Display Fee would make the Fee Schedule more accessible and transparent and facilitate market participants' understanding of the fees charged by the Exchange.

The Proposal Is Not Unfairly Discriminatory

The Exchange believes that the proposal is not unfairly discriminatory.

The Exchange believes that the proposed change to the RT—Auction Fee is not unfairly discriminatory. In the prevailing competitive environment, ETP Holders are free to disfavor the Exchange's pricing if they believe that alternatives offer them better value and are free to transact on competitor markets to avoid being subject to the Exchange's fees that are the subject of

²⁹ See Cboe Global Markets U.S. Equities Market Volume Summary, available at http://markets.cboe.com/us/equities/market_share/.

this proposed rule change. The Exchange believes that the proposed fee change neither targets nor will it have a disparate impact on any particular category of market participant. The Exchange believes that the proposal does not permit unfair discrimination because it would be applied to all similarly situated ETP Holders, who would all be subject to the fee on an equal basis.

The Exchange believes the proposed Exemption is not unfairly discriminatory because it would apply to all ETP Holders on an equal and non-discriminatory basis. As proposed, no ETP Holder would be assessed the RT—Auction Fee for the first month that it is subject to the fee during a 12-month period. The Exchange believes that the proposed change would encourage ETP Holders to continue trading on the Exchange by lessening the initial impact of the RT—Auction Fee and providing ETP Holders with an opportunity to evaluate their order entry and/or cancellation practices. The proposed change would thus support continued trading opportunities for all market participants, thereby promoting just and equitable principles of trade, removing impediments to and perfecting the mechanism of a free and open market and a national market system and, in general, protecting investors and the public interest.

The Exchange believes that eliminating the RT—Display Fee from the Fee Schedule is not unfairly discriminatory because the fee would be eliminated in its entirety and would no longer be charged to any ETP Holder. All ETP Holders would continue to be subject to the same fee structure, and access to the Exchange's market would continue to be offered on fair and non-discriminatory terms. The Exchange also believes that the proposed change would protect investors and the public interest because the deletion of the RT—Display Fee would make the Fee Schedule more accessible and transparent and facilitate market participants' understanding of the fees charged by the Exchange.

Finally, the submission of orders to the Exchange is optional for ETP Holders in that they could choose whether to submit orders to the Exchange and, if they do, the extent of its activity in this regard. For the foregoing reasons, the Exchange believes that the proposal is consistent with the Act.

B. Self-Regulatory Organization's Statement on Burden on Competition

In accordance with Section 6(b)(8) of the Act,³² the Exchange believes that the proposed rule change would not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, as discussed above, the Exchange believes that the proposed fee change would encourage ETP Holders to modify their order entry and/or cancellation practices so that fewer shares are cancelled without resulting in an execution, thereby promoting price discovery and transparency and enhancing order execution opportunities on the Exchange.

Intramarket Competition. The Exchange believes the proposed change to the RT—Auction Fee would not place any undue burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed fee change is designed to encourage ETP Holders to submit shares into the market that are actionable. Further, the proposal would apply to all ETP Holders on an equal basis, and, as such, the proposed change would not impose a disparate burden on competition among market participants on the Exchange. To the extent that these purposes are achieved, the Exchange believes that the proposal would serve as an incentive for ETP Holders to modify their order entry practices, thus enhancing the quality of the market and increasing the volume of orders directed to, and shares executed on, the Exchange. In turn, all the Exchange's market participants would benefit from the improved market liquidity. Additionally, the proposed Exemption would apply equally to all ETP Holders such that no ETP Holder would be assessed the RT—Auction Fee for the first month that it is subject to the fee during a 12-month period. To the extent the proposed change is successful in encouraging ETP Holders to maintain their trading activity on the Exchange, the Exchange believes the proposed rule change could promote market quality to the benefit of all market participants. The Exchange also does not believe the proposed rule change to eliminate the RT—Display Fee will impose any burden on intramarket competition because the proposed change would impact all ETP Holders uniformly.

Intermarket Competition. The Exchange operates in a highly competitive market in which market participants can readily choose to send

their orders to other exchange and off-exchange venues if they deem fee levels at those other venues to be more favorable. As noted above, the Exchange's market share of intraday trading (*i.e.*, excluding auctions) is currently less than 10%. In such an environment, the Exchange must continually review, and consider adjusting its fees and rebates to remain competitive with other exchanges and with off-exchange venues. Because competitors are free to modify their own fees and credits in response, the Exchange does not believe its proposed fee change can impose any burden on intermarket competition.

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

Pursuant to Section 19(b)(3)(A)(ii) of the Act,³³ and Rule 19b-4(f)(2) thereunder³⁴ the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-NYSEArca-2025-69 on the subject line.

³² 15 U.S.C. 78f(b)(8).

³³ 15 U.S.C. 78s(b)(3)(A)(ii).

³⁴ 17 CFR 240.19b-4.

Paper Comments

• Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.

All submissions should refer to file number SR–NYSEARCA–2025–69. 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–2025–69 and should be submitted on or before October 6, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁵

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025–17728 Filed 9–12–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meetings

TIME AND DATE: Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94–409, that the Securities and Exchange Commission will hold an Open Meeting on Wednesday, September 17, 2025, at 10 a.m. (ET).

PLACE: The meeting will be held in Auditorium LL–002 at the Commission's headquarters, 100 F Street NE, Washington, DC 20549 and will be simultaneously webcast on the Commission's website at www.sec.gov.

STATUS: This meeting will begin at 10 a.m. and will be open to the public. Seating will be on a first-come, first-served basis. Visitors will be subject to security checks. The meeting will be webcast on the Commission's website at www.sec.gov.

MATTERS TO BE CONSIDERED:

1. The Commission will consider action relating to the compliance date

for the amendments to Form PF that were adopted on February 8, 2024.

2. The Commission will consider whether to issue a policy statement addressing the presence of a provision requiring arbitration of investor claims arising under the Federal securities laws and its impact on decisions whether to accelerate the effectiveness of a registration statement.

3. The Commission will consider whether to amend its Rules of Practice relating to procedures governing Commission review of staff actions made pursuant to delegated authority in connection with the determination of the effectiveness of a registration statement or the qualification of a Regulation A offering.

CONTACT PERSON FOR MORE INFORMATION:

For further information, please contact Vanessa A. Countryman from the Office of the Secretary at (202) 551–5400.

Authority: 5 U.S.C. 552b.

Dated: September 10, 2025.

Vanessa A. Countryman,
Secretary.

[FR Doc. 2025–17736 Filed 9–11–25; 11:15 am]

BILLING CODE 8011–01–P

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket Number USTR–2025–0016]

Request for Comments on Significant Foreign Trade Barriers for the 2026 National Trade Estimate Report

AGENCY: Office of the United States Trade Representative.

ACTION: Notice and request for comments.

SUMMARY: The Office of the United States Trade Representative (USTR), through the Trade Policy Staff Committee (TPSC), publishes the National Trade Estimate Report on Foreign Trade Barriers (NTE Report) each year. USTR invites comments to assist it and the TPSC in identifying significant foreign barriers to, or distortions of, U.S. exports of goods and services and U.S. foreign direct investment for inclusion in the NTE Report. USTR also will consider responses to this notice as part of the annual review of the operation and effectiveness of all U.S. trade agreements regarding telecommunications products and services that are in force with respect to the United States.

DATES: Thursday, October 30, 2025 at 11:59 p.m. EDT: Deadline for submission of comments.

ADDRESSES: USTR strongly prefers electronic submissions made through the Federal eRulemaking Portal: <http://www.regulations.gov> ([Regulations.gov](http://www.regulations.gov)). The instructions for submitting comments are in sections IV and V below. The docket number is USTR–2025–0016. For alternatives to online submissions, please contact Jiexi “Jesse” Huang, at ForeignTradeBarriersReport@ustr.eop.gov or 202–395–3475 in advance of the deadline.

FOR FURTHER INFORMATION CONTACT:

Edward Marcus, Chair of the Trade Policy Staff Committee, at ForeignTradeBarriersReport@ustr.eop.gov or 202–395–3475.

SUPPLEMENTARY INFORMATION:

I. Background

Section 181 of the Trade Act of 1974, as amended (19 U.S.C. 2241), requires USTR annually to publish the NTE Report, which sets out an inventory of significant foreign barriers to, or distortions of, U.S. exports of goods and services, including agricultural commodities and U.S. intellectual property; foreign direct investment by U.S. persons, especially if such investment has implications for trade in goods or services; and U.S. electronic commerce. The inventory facilitates U.S. negotiations aimed at reducing or eliminating these barriers and is a valuable tool in enforcing U.S. trade laws and agreements, ensuring trade is fair and reciprocal, and promoting U.S. economic and security interests. You can find the 2025 NTE Report on USTR's website at <https://ustr.gov/sites/default/files/files/Press/Reports/2025NTE.pdf>. To ensure compliance with the statutory mandate for the NTE Report and the Administration's commitment to focus on significant foreign trade barriers, USTR will take into account comments in response to this notice when deciding which significant barriers to include in the NTE Report.

II. Topics on Which the TPSC Seeks Information

To assist USTR in preparing the NTE Report, commenters should submit information related to one or more of the following categories of foreign trade barriers:

1. *Import policies.* Examples may include tariffs and other import charges, quantitative restrictions, import licensing, customs barriers and shortcomings with respect to trade facilitation or customs valuation practices, duty evasion, or circumvention, and other market access barriers.

³⁵ 17 CFR 200.30–3(a)(12).

2. *Technical barriers to trade.*

Examples may include unnecessarily trade restrictive standards, labeling, conformity assessment procedures (*i.e.*, testing, inspection, calibration, audit, certification, and accreditation), or technical regulations for goods, including unnecessary or discriminatory technical regulations or standards for telecommunications products. Examples may also include pursuing unique national standards when international standards already exist in order to leverage the economic power of the domestic market to promote or compel the adoption of those standards in global markets, and pressing other countries to accept a definition of international standards that results in the exclusion of standards developed by U.S.-domiciled standard development organizations. Additionally, discriminatory practices may involve strategies that prevent U.S. or foreign stakeholder involvement in the overall standards development process.

3. *Sanitary and phytosanitary measures.* Examples may include measures that unnecessarily restrict trade without furthering safety objectives because they are applied beyond the extent necessary to protect human, animal, or plant life or health, not based on science, or maintained without sufficient scientific evidence.

4. *Government procurement.* Examples may include policies that exclude U.S. goods or services, closed bidding, and bidding processes that lack transparency.

5. *Intellectual property protection.* Examples may include inadequate patent, copyright, trade secret, and trademark regimes and inadequate enforcement of intellectual property rights.

6. *Services.* Examples may include prohibitions or restrictions on foreign participation in the market, discriminatory licensing requirements or regulatory standards, local-presence requirements, and unreasonable restrictions on what services may be offered. Examples may also include discriminatory or burdensome barriers to cross-border data flows, discriminatory practices affecting trade in digital products, restrictions on the provision of internet-enabled services, and other restrictive technology requirements.

7. *Investment.* Examples may include limitations on foreign equity participation and on access to foreign government-funded research and development programs, local content requirements, technology transfer requirements, export performance requirements, and restrictions on

repatriation of earnings, capital, fees and royalties.

8. *Subsidies.* Examples may include export subsidies, such as export financing on preferential terms and agricultural export subsidies that displace U.S. exports in third-country markets, and may include import substitution subsidies, such as subsidies contingent on the purchase or use of domestic rather than imported goods.

9. *Anticompetitive practices.* Examples may include government-tolerated anticompetitive conduct of state-owned or private firms that restricts the sale or purchase of U.S. goods or services in the foreign country's markets or abuse of competition laws that inhibit trade, and fairness and due process concerns by companies involved in competition investigatory and enforcement proceedings in the country.

10. *State-owned enterprises.* Examples may include actions by state-owned enterprises (SOEs) or by governments with respect to SOEs involved in the manufacture or production of non-agricultural goods or in the supply of services that constitute significant barriers to, or distortions of, U.S. exports of goods and services or U.S. investments, which may negatively affect U.S. firms and workers. These actions may include subsidies and non-commercial advantages provided to and from SOEs and practices with respect to SOEs that discriminate against U.S. goods or services, or actions by SOEs that are inconsistent with commercial considerations in the purchase and sale of goods and services.

11. *Other non-market policies and practices.* Examples may include adopting and pursuing industrial plans that target specific industries for domination by domestic enterprises, pressuring or otherwise acting to ensure domestic enterprises purchase domestic-made products over U.S. imported products, creating or maintaining non-market excess capacity particularly in key industrial sectors, and directing or allowing regulatory authorities to exercise their authority in a discriminatory manner, including by treating domestic enterprises more favorably. Also of concern are failures to take effective action to address non-market policies and practices of third countries.

12. *Labor.* Examples may include significant violations of internationally recognized labor rights or other practices that contribute to the suppression of wages, in cases where these violations or practices influence trade flows or investment decisions in ways that constitute significant barriers

to, or distortions of, U.S. exports of goods and services or U.S. investment, which may negatively affect U.S. firms and workers. Internationally recognized labor rights include: the right of association; the right to organize and bargain collectively; a prohibition on the use of any form of forced or compulsory labor; a minimum age for the employment of children, and a prohibition on the worst forms of child labor; elimination of discrimination in respect of employment or occupation; and acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.

13. *Environment.* Examples may include concerns with a government's weak or unenforced environmental laws and regulations, significant acts of environmental degradation, illegal harvesting and trade of natural resources (*e.g.*, timber, fish, wildlife), and other harmful environmental practices that provide a benefit or incentive to producers or investors in that country (*i.e.*, encourage environmental arbitrage), or constitute significant barriers to, or distortions of, U.S. exports of goods and services or U.S. investment, which may negatively affect U.S. firms or workers.

14. *Other barriers.* Examples may include significant barriers or distortions that are not covered in any other category above or that encompass more than one category, such as bribery and corruption, or that affect a single sector.

Please provide, if available, the titles of relevant laws or measures and a description of the concerns with which the laws or measures relate to the significant foreign barriers or distortions identified. Commenters should place particular emphasis on any practices that may violate U.S. trade agreements. USTR also is interested in receiving new or updated information pertinent to the barriers covered in the 2025 NTE Report as well as information on new barriers. If USTR does not include in the 2026 NTE Report information that it receives pursuant to this notice, it will maintain the information for potential use in future discussions or negotiations with trading partners.

Commenters should submit information related to one or more of the following export markets to be covered in the report: Algeria, Angola, the Arab League, Argentina, Australia, Bahrain, Bangladesh, Bolivia, Bosnia and Herzegovina, Brazil, Brunei, Cambodia, Canada, Chile, China, Colombia, Costa Rica, Cote d'Ivoire, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, the European Union,

Ghana, Guatemala, Honduras, Hong Kong, India, Indonesia, Israel, Japan, Jordan, Kenya, Korea, Kuwait, Laos, Malaysia, Mexico, Moldova, Morocco, New Zealand, Nicaragua, Nigeria, North Macedonia, Norway, Oman, Pakistan, Panama, Paraguay, Peru, the Philippines, Qatar, Russia, Saudi Arabia, Serbia, Singapore, South Africa, Switzerland, Taiwan, Thailand, Tunisia, Turkey, Ukraine, the United Arab Emirates, the United Kingdom, Uruguay, and Vietnam. Commenters may submit information related to significant barriers or distortions in export markets other than those listed in this paragraph.

In addition, Section 1377 of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3106) (Section 1377) requires USTR annually to review the operation and effectiveness of U.S. telecommunications trade agreements that are in force with respect to the United States. The purpose of the review is to determine whether any foreign government that is a party to one of those agreements is failing to comply with that government's obligations or is otherwise denying, within the context of a relevant agreement, "mutually advantageous market opportunities" to U.S. telecommunications products or services suppliers. USTR will consider responses to this notice in the review called for in Section 1377 and highlight both ongoing and emerging barriers to U.S. telecommunications services and goods exports in the 2026 NTE Report.

III. Estimate of Increase in Exports

To the extent possible, each comment should include an estimate of the potential increase in exports of goods or services of the United States, U.S. foreign direct investment, or U.S. electronic commerce that would result from removing any significant foreign trade barrier the comment identifies, as well as a description of the methodology the commenter used to derive the estimate. Commenters should express estimates within the following value ranges: less than \$25 million; \$25 million to \$100 million; \$100 million to \$500 million; and over \$500 million.

IV. Procedures for Written Submissions

To be assured of consideration, submit your written comments by the October 30, 2025, 11:59 p.m. EDT deadline. All submissions must be in English. USTR strongly encourages submissions via *Regulations.gov*, using Docket Number USTR-2025-0016.

To submit via *Regulations.gov*, use Docket Number USTR-2025-0016 in the 'search for' field on the home page and click 'search.' The site will provide a

search-results page listing all documents associated with this docket. Find a reference to this notice by selecting 'notice' under 'document type' in the 'refine documents results' section on the left side of the screen and click on the 'comment' link.

Regulations.gov allows users to make submissions by filling in a 'type comment' field, or by attaching a document using the 'upload file' field. USTR prefers that you provide submissions in an attached document and note "see attached comments with respect to (name of country)" in the 'comment' field on the online submission form. The first page of the submission must identify 'Comments Regarding Foreign Trade Barriers to U.S. Exports for 2026 Reporting—[name of country or countries discussed].' Commenters providing information on more than one country should provide a separate attachment for each country as part of the same submission. USTR strongly encourages commenters to provide only one submission. USTR prefers submissions in Microsoft Word (.doc) or Adobe Acrobat (.pdf). If you use an application other than those two, please indicate the name of the application in the 'type comment' field.

You will receive a tracking number upon completion of the submission procedure at *Regulations.gov*. The tracking number is confirmation that *Regulations.gov* received your submission. Keep the confirmation for your records. USTR is not able to provide technical assistance for *Regulations.gov*.

For further information on using *Regulations.gov*, please consult the resources provided on the website by clicking on 'How to Use *Regulations.gov*' on the bottom of the home page. USTR may not consider submissions that you do not make in accordance with these instructions.

If you are unable to provide submissions as requested, please contact Jiexi "Jesse" Huang, in advance of the deadline at ForeignTradeBarriersReport@ustr.eop.gov or 202-395-3475 to arrange for an alternative method of transmission. USTR will not accept hand-delivered submissions.

General information concerning USTR is available at <https://www.ustr.gov>.

V. Business Confidential Information (BCI) Submissions

If you ask USTR to treat information you submit as BCI, you must certify that the information is business confidential and you would not customarily release it to the public. For any comments submitted electronically containing BCI,

the file name of the business confidential version should begin with the characters "BCI." You must clearly mark any page containing BCI with "BUSINESS CONFIDENTIAL" on the top of that page. Filers of submissions containing BCI also must submit a public version that will be placed in the docket for public inspection. The file name of the public version should begin with the character "P." Follow the "BCI" and "P" with the name of the person or entity submitting the comments.

VI. Public Viewing of Review Submissions

USTR will post written submissions in the docket for public inspection, except properly designated BCI. You can view comments on *Regulations.gov* by entering Docket Number USTR-2025-0016 in the search field on the home page.

Edward Marcus,

*Chair of the Trade Policy Staff Committee,
Office of the United States Trade Representative.*

[FR Doc. 2025-17782 Filed 9-12-25; 8:45 am]

BILLING CODE 3390-F4-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Docket No. FAA-2025-0672]

Agency Information Collection Activities: Requests for Comments; Clearance of Renewed Approval of Information Collection: Certification of Airports, Part 139

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, the FAA invites public comments about our intention to request approval from the Office of Management and Budget (OMB) to renew an information collection. Title 14, Code of Federal Regulations (14 CFR) part 139 establishes certification requirements for airports serving scheduled passenger-carrying operations of an air carrier operating aircraft configured for more than 9 passenger seats, as determined by the regulations under which the operation is conducted or the aircraft type certificate issued by a competent civil aviation authority; and unscheduled passenger-carrying operations of an air carrier operating aircraft configured for at least 31

passenger seats, as determined by the regulations under which the operation is conducted or the aircraft type certificate issued by a competent civil aviation authority. This part does not apply to: airports serving scheduled air carrier operations only by reason of being designated as an alternate airport; airports operated by the United States; airports located in the State of Alaska that serve only scheduled operations of small air carrier aircraft and do not serve scheduled or unscheduled operations of large air carrier aircraft; airports located in the State of Alaska during periods of time when not serving operations of large air carrier aircraft; or heliports.

DATES: Written comments should be submitted by November 14, 2025.

ADDRESSES: Please send written comments:

By Electronic Docket:
www.regulations.gov. Enter docket number: FAA-2025-0672 into search field.

By email: chel.schweitzer@faa.gov.

FOR FURTHER INFORMATION CONTACT: Chel Schweitzer by email at: chel.schweitzer@faa.gov; phone: 202-267-2677.

SUPPLEMENTARY INFORMATION:

Public Comments Invited: You are asked to comment on any aspect of this information collection, including (a) Whether the proposed collection of information is necessary for FAA performance; (b) the accuracy of the estimated burden; (c) ways for the FAA to enhance the quality, utility, and clarity of the information collection; and (d) ways that the burden could be minimized without reducing the quality of the collected information. The agency will summarize and/or include your comments in the request for OMB clearance of this information collection.

The collection involves FAA Form 5280-1, Application for Airport Operating Certificate. Every airport sponsor seeking airport certification under part 139 must complete this form, as well as provide a draft Airport Certification Manual (ACM). In addition, currently certificated part 139 airports must maintain their ACM, and keep and maintain records related to training, self-inspection, and other requirements of part 139.

The collection includes new requirements for Safety Management Systems (SMS) at certain part 139 airports, and the inclusion of Unmanned Aerial Systems (UAS) response plans in an airport's Airport Emergency Plan (AEP) or Airport Security Plan (ASP).

These records allow the FAA to verify airports meet part 139 minimum safety and operational requirements to enhance the safety of the flying public.

OMB Control Number: 2120-0675.

Title: Certification of Airports, 14 CFR part 139.

Form Numbers: FAA Form 5280-1.

Type of Review: Renewal of an information collection.

Background: The statutory authority to issue airport operating certificates to airports serving certain air carriers and to establish minimum safety standards for the operation of those airports is currently found in Title 49, United States Code (U.S.C.) § 44706, Airport operating certificates. The FAA uses this authority to issue requirements for the certification and operation of certain airports that service commercial air carriers. These FAA requirements are contained in Title 14, Code of Federal Regulations Part 139 (14 CFR part 139), Certification of Airports as amended. Information collection requirements are used by the FAA to determine an airport operator's compliance with part 139 safety and operational requirements, and to assist airport personnel to perform duties required under the regulation.

Operators of certificated airports are required to complete FAA Form 5280-1 and develop, and comply with a written document, an Airport Certification Manual (ACM), that details how an airport will comply with the requirements of part 139. The ACM shows the means and procedures whereby the airport will be operated in compliance with part 139, in addition to other instructions and procedures to help personnel concerned with operation of the airport to perform their duties and responsibilities.

When an airport satisfactorily complies with such requirements, the FAA issues to that facility an airport operating certificate (AOC) that permits an airport to serve air carriers. The FAA periodically inspects these airports to ensure continued compliance with part 139 safety requirements, including the maintenance of specified records. Both the application for an AOC and annual compliance inspections require operators of certificated airports to collect and report certain operational information. The AOC remains in effect as long as the need exists, and the operator must comply with the terms of the AOC and the ACM.

The likely respondents to new information requests are those civilian U.S. airport certificate holders who operate airports that serve scheduled and unscheduled operations of air carrier aircraft with more than 9

passenger seats (approximately 518 airports). These airport operators already hold an AOC and comply with all current information collection requirements.

Operators of certificated airports are permitted to choose the methodology to report information and can design their own recordkeeping system. As airports vary in size, operations, and complexity, the FAA has determined this method of information collection allows airport operators greater flexibility and convenience to comply with reporting and recordkeeping requirements. All of the information may be submitted electronically.

The FAA has an automated system, the Certification and Compliance Management Information System (CCMIS), which is a national database of airport inspection information that is accessible by FAA airport safety and certification inspectors. This information in this system is monitored to detect trends and developing safety issues, to allocate inspection resources, and generally, to be more responsive to the needs of regulated airports.

The FAA has developed an automated reporting tool, the Airport Crisis Response Reporting (ACRR) tool, which allows airport personnel to directly input the operational status of an airport following an incident or emergency event that impacts an airport or the surrounding area.

The following types of information are new to this information collection: the required implementation of SMS at certain airports and the requirement for all airports to maintain a UAS Response Plan.

Part 139 subpart E ("Airport Safety Management System"), mandates Safety Management Systems. Operators of certificated airports are permitted to choose the methodology for reporting information and can design their own recordkeeping systems to meet their specific needs. This flexibility allows airports, which vary in size, operations, and complexity, to comply with FAA reporting and recordkeeping requirements more efficiently. All information collected under SMS can be submitted electronically. Airports are responsible for gathering and maintaining data on safety-related activities, including incident reports, safety risks, corrective actions, and performance evaluations. This information is crucial for the FAA to monitor safety trends, assess emerging risks, and allocate resources effectively, ensuring that safety management practices align with regulatory standards.

Section 139.325 (“Airport emergency plan.”) requires part 139 certificate holders to develop and maintain an Airport Emergency Plan (AEP) to minimize the possibility and extent of personal injury and property damage on the airport in an emergency. UAS (Unmanned Aircraft Systems) Response Plans have become a mandatory component of an airport’s AEP in response to the increasing risks posed by UAS (often referred to as “drones”) operations near airports. Recently mandated by the FAA, these plans outline the procedures airports must follow to detect, assess, and respond to UAS threats that could interfere with airport operations or compromise safety. The UAS Response Plans include strategies for coordination between airport personnel, local law enforcement, and the FAA, as well as protocols for identifying and mitigating potential UAS hazards. These plans ensure that airports are prepared to address the unique challenges posed by UAS incidents, enabling a swift and coordinated response to minimize disruptions and protect both aviation safety and security.

Respondents: Approximately 518 airports.

Frequency: Information collected on occasion.

Estimated Average Burden per Response: 759 hours.

Estimated Total Annual Burden: 393,008 hours.

Issued in Washington, DC, on this date, 11 September 2025.

Anthony M. Butters,

Acting Manager, Airport Safety and Operations (AAS-300).

[FR Doc. 2025-17759 Filed 9-12-25; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

FTA Fiscal Year 2025 Apportionments, Allocations, and Program Information

AGENCY: Federal Transit Administration (FTA), Department of Transportation (DOT).

ACTION: Notice.

SUMMARY: This notice announces the full-year apportionments and allocations for grant programs for Fiscal Year (FY) 2025 and provides contract authority.

FOR FURTHER INFORMATION CONTACT: For general information about this notice, contact John Bodnar, Acting Associate Administrator, Office of Program Management, at (202) 366-2053. Please

contact the appropriate FTA Regional Office for any specific requests for information or technical assistance. FTA Regional Office contact information is available on FTA’s website: <https://www.transit.dot.gov/about/regional-offices/regional-offices>. An FTA headquarters contact for each major program area is included in the discussion for that program in the text of this notice. FTA recommends stakeholders subscribe via: <https://public.govdelivery.com/accounts/USDOTFTA/subscriber/new>, to receive email notifications when new information is available.

SUPPLEMENTARY INFORMATION:

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I. Overview

This notice provides updates of FTA’s programs for FY 2025, announces funding from the Full-Year Continuing Appropriations and Extensions Act, 2025 (Pub. L. 119-4) and full-year apportionments and allocations for grant programs, and provides contract authority. This notice also highlights and provides specific information about FTA’s statutory programs.

For each FTA program appropriated funds in the Full-Year Continuing Appropriations and Extensions Act, 2025, FTA also provides information on the Infrastructure Investment and Jobs Act (IIJA, Pub. L. 117-58) authorized funding levels for FY 2025, the basis for apportionment or allocation of funds, requirements specific to the program, period of availability of funds, and other program information. A separate section provides information on pre-award authority and other requirements and guidance applicable to FTA programs and grant administration. Finally, the notice includes references to tables on FTA’s website showing amounts apportioned under the Full-Year Continuing Appropriations and Extensions Act, 2025, and approximately \$6.1 billion in unobligated or carryover funding available in FY 2025 under certain discretionary and Congressionally directed programs carried out in accordance with prior and current authorization and appropriations acts.

II. FY 2025 Funding for FTA Programs

A. Funding Available Under the Full-Year Continuing Appropriations and Extensions Act, 2025

A total of \$20,937,068,868 was appropriated for FY 2025, including funding from the Full-Year Continuing Appropriations and Extensions Act, 2025, and funding from IIJA advance appropriations.

Division A, Title I and Title XIII of the Full-Year Continuing Appropriations and Extensions Act, 2025, appropriated \$16,687,068,868 for FY 2025, providing the authorized \$14.28 billion from the Mass Transit Account; \$45.6 million in Transit Infrastructure Grants, including \$20 million for the Urbanized Area Passenger Ferry program with \$5 million set aside for low or no emission ferries and related infrastructure, \$1.5 million for the Bus Testing program, \$3.6 million for several research programs, \$0.5 million to assist tribal governments under the National Rural

Transportation Assistance Program, and \$20 million to the ferry service for rural communities program. The Full-Year Continuing Appropriations and Extensions Act, 2025, also appropriated an additional \$7.5 million for technical assistance, workforce development and training funding, \$150 million for the Washington Metropolitan Area Transit Authority and \$2.2 billion for the Capital Investment Grant Program.

In addition, Division J, Title VIII of IIJA provided \$4.25 billion in advance appropriations for FY 2025, including \$1.6 billion for Capital Investment Grants; \$950 million for the State of Good Repair program, \$1.05 billion for the Low or No Emission program, \$50 million for the Enhanced Mobility of Seniors and Individuals with Disabilities Program, \$350 million for the All Stations Accessibility Program; \$50 million for the Electric or Low-Emitting Ferry Program; and \$200 million for Ferry Service for Rural Communities.

Current funding availability for each grant program is identified in Section IV of this notice and in Table 1 located on FTA's FY 2025 Apportionment web page: <https://www.transit.dot.gov/funding/apportionments/current-apportionments>.

B. Oversight Takedown

As authorized by 49 U.S.C. 5338(c), the following oversight takedowns of FTA programs will be applied: 0.5 percent of Metropolitan and Statewide Planning funds, 0.75 percent of Urbanized Area Formula funds, 1 percent of Fixed Guideway Capital Investment Grants funds, 0.5 percent of Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities, 0.5 percent of Formula Grants for Rural Areas, 1 percent of State of Good Repair Formula funds, 0.75 percent for Grants for Buses and Bus Facilities, and 1 percent of Capital and Preventive Maintenance Projects for Washington Metropolitan Area Transit Authority funds. The funds are used to provide necessary oversight activities, such as oversight of the construction of any major capital project receiving Federal transit assistance; to conduct State Safety Oversight, drug and alcohol, civil rights, procurement systems, management, planning certification, and financial reviews and audits, as well as evaluations and analyses of recipient-specific problems and issues; to provide technical assistance and correct deficiencies identified in compliance reviews and audits; and to support FTA's administrative expenses.

In addition, there remains a 2 percent administrative and oversight takedown from each of the advance appropriations provided under Division J, Title VIII of IIJA, except for the Fixed Guideway Capital Investment Grant takedown, which remains at 1 percent. One-half percent of the 2 percent administrative and oversight takedown is to be transferred to the U.S. DOT Office of the Inspector General (OIG).

C. Formula Apportionment Data and Methodology

1. Apportionment Tables

FTA published apportionment tables on its website for each program reflecting the full-year appropriations less oversight takedowns, as applicable. Tables displaying the funds available to eligible States, tribes, and urbanized areas have been posted to <https://www.transit.dot.gov/funding/apportionments/current-apportionments>. This website contains a page listing the apportionment and allocation tables for FY 2025, as well as links to prior year formula apportionment notices and tables, as well as the National Transit Database and Census data used to calculate the FY 2025 apportionments.

2. National Transit Database and Census Data Used in the FY 2025 Apportionments

The calculations for Sections 5307, 5311 (including 5311(j) Tribal Transit), 5329, 5337, and 5339 programs rely on the most recent transit service data reported to the National Transit Database (NTD). Any recipient or subrecipient of either Section 5307 or Section 5311 program funds is required to report to the NTD. All FTA grant recipients that own, operate, or manage transit capital assets must report their asset data to the NTD. Additionally, a number of transit operators report to the NTD on a voluntary basis.

The data used to determine the FY 2025 apportionments came from the 2023 NTD Report Year (RY), which corresponds to an agency's fiscal year. In cases where an apportionment is based on the age of the system, the age is calculated as of September 30, 2024, which was the last day before FY 2025 began. During the 2023 report year, the NTD collected data from nearly 3,000 reporters. This count is comprised of 999 urban reporters, 1,224 rural transit providers, 136 tribes, and 486 asset reporters. IIJA made a number of changes to NTD reporting requirements. FTA implemented these changes through two **Federal Register** notices published on February 23, 2023 (88 FR

11506), and March 3, 2023 (88 FR 13497). Some of the changes took effect beginning in NTD RY 2023 or 2024, while others took effect in calendar year 2023.

The 2020 Census data was used to determine population and population density for Sections 5303, 5304, 5305, 5307 and 5339 as well as rural population and rural land area for Section 5311. The formulas for Sections 5307, 5311, and 5311(j) include tiers where funding is allocated on the basis of the number of persons living in poverty, and the Section 5310 formula program allocates funding on the basis of the population of older adults and people with disabilities. The Census Bureau no longer publishes decennial Census data on persons living in poverty and persons with disabilities. As a result, since FY 2013, FTA has used the data for these populations available via the Census' American Community Survey (ACS). The NTD and Census data FTA used to calculate the apportionments associated with this notice can be found on FTA's web page: <https://www.transit.dot.gov/funding/apportionments/formula-apportionments-data>.

The FY 2025 apportionments were determined using data on low-income persons, persons with disabilities, and older adults from the most recent ACS data set, which was published in December 2023. As was the case in prior years, data on low-income persons comes from ACS Table B17024, "Age by Ratio of Income to Poverty Level in the Last Twelve Months," and data on people with disabilities under 65 years old comes from ACS Table B18101, "Sex by Age by Disability Status."

III. FY 2025 Program Specific Information

A. Metropolitan Planning Program (49 U.S.C. 5303 and 5305(d))

Section 5305(d) makes available Federal funding to support a cooperative, continuous, and comprehensive planning program for transportation investment decision-making at the metropolitan area level. The specific requirements of metropolitan transportation planning are set forth in 49 U.S.C. 5303 and in 23 CFR part 450, as incorporated by reference in 49 CFR part 613, Metropolitan and Statewide and Nonmetropolitan Planning.

1. Authorized Amounts

IIJA authorized \$799 million over five years to provide financial assistance for metropolitan planning needs under Section 5303.

2. FY 2025 Funding Availability

Under the Full-Year Continuing Appropriations and Extensions Act, 2025, \$163,308,011 is available to the Metropolitan Planning Program (MPP) (Section 5305(d) and (f)) to support metropolitan transportation planning activities set forth in Section 5303. The total amount apportioned for the MPP to States for use by metropolitan planning organizations (MPOs) is \$162,491,471 as shown in the table below, after the deduction for oversight and the addition of reapportioned funds.

3. Period of Availability

The MPP funds apportioned in this notice are available for obligation during FY 2025, plus three additional fiscal years. Accordingly, funds apportioned in FY 2025 must be obligated in grants by September 30, 2028. Any FY 2025 apportioned funds that remain unobligated at the close of business on September 30, 2028, will revert to FTA for reapportionment under the MPP.

Metropolitan Planning Program—FY 2025	
Total FY 2025 Appropriation Available	\$163,308,011
Oversight Deduction	(816,540)
Total Apportioned	162,491,471

For more information about the MPP, contact Ryan Long, Office of Planning and Environment at ryan.long@dot.gov.

B. State Planning and Research Program (49 U.S.C. 5304 and 5305(e))

Section 5305(e) provides financial assistance to States for statewide transportation planning and other technical assistance activities, including supplementing the technical assistance program provided through the MPP. The specific requirements of Statewide transportation planning are set forth in 49 U.S.C. 5304 and in 23 CFR part 450, as incorporated by reference in 49 CFR part 613, Metropolitan and Statewide and Nonmetropolitan Planning.

1. Authorized Amounts

IJA authorized \$167 million over five years to provide financial assistance for

statewide and non-metropolitan planning and other technical assistance activities under Section 5304.

2. FY 2025 Funding Availability

In FY 2025, \$34,114,633 is available to the State Planning and Research Program (SPRP) (Section 5305(e) and (f)). The total amount apportioned for the SPRP is \$34,207,429 as shown in the table below, after the deduction for oversight.

3. Period of Availability

The SPRP funds apportioned in this notice are available for obligation during FY 2025, plus three additional fiscal years. Accordingly, funds apportioned in FY 2025 must be obligated in grants by September 30, 2028. Any FY 2025 apportioned funds that remain unobligated at the close of business on September 30, 2028, will revert to FTA for reapportionment under the SPRP.

Statewide Planning Program—FY 2025	
Total Appropriation	\$34,114,633
Oversight Deductions	(170,573)
Reapportioned Funds	263,369
Total Apportioned	34,207,429

States' apportionments for this program are displayed in Table 1 on the apportionments page on FTA's website: <https://www.transit.dot.gov/funding/apportionments/current-apportionments>.

For more information, contact Ryan Long, Office of Planning and Environment at ryan.long@dot.gov.

C. Consolidated Planning Grants

The Consolidated Planning Grants (CPG) Program allows States and MMPOs to merge funds from the FTA MPP and SPRP with FHWA Metropolitan Planning (PL) and State Planning and Research (SPR) funds into a single consolidated planning grant. Transferred planning funds can be awarded and administered by either FTA or FHWA. For further information on CPGs, contact Ann Souvandara, Office of Budget and Policy, FTA, at ann.souvandara@dot.gov.

D. Urbanized Area Formula Program (49 U.S.C. 5307)

The Urbanized Area Formula Grant Program provides Federal assistance for capital, planning, job access and reverse commute projects, and, in some cases, operating assistance for public transportation in urbanized areas. The specific requirements of this program are set forth in 49 U.S.C. 5307 and FTA Circular 9050.1A, "Urbanized Area Formula Grant Programs Guidance," dated November 1, 2024, available at <https://www.transit.dot.gov/regulations-and-programs/fta-circulars/urbanized-areas-formula-grant-programs-guidance>.

1. Authorized Amounts

IJA authorized \$33.5 billion over five years to provide financial assistance for urbanized areas under Section 5307. Of the amounts authorized for Section 5307 in each year, \$30 million is set aside for the competitive Passenger Ferry Grant Program, 0.75 percent is apportioned to eligible States for State Safety Oversight (SSO), and 0.75 percent is set aside for oversight.

2. FY 2025 Funding Availability

Under the Full-Year Continuing Appropriations and Extensions Act, 2025, \$6,851,662,142 is available for the Urbanized Area Formula program. The total amount apportioned is \$7,394,716,046 after deductions for the State Safety Oversight Program, Passenger Ferry Program, and oversight and the addition of Section 5340 and reapportioned funds as shown in the table below.

3. Period of Availability

Funds made available under Section 5307 are available for obligation during the year of apportionment plus five additional years. Accordingly, funds apportioned in FY 2025 must be obligated in grants by September 30, 2030. Any FY 2025 apportioned funds that remain unobligated at the close of business on September 30, 2030, will revert to FTA for reapportionment under the Urbanized Area Formula Program.

Urbanized Area Formula Program—FY 2025

Total Appropriation	\$6,851,662,142
Oversight Deductions	(51,387,466)
State Safety Oversight Program	(51,387,466)
Passenger Ferry Program	(30,000,000)
Section 5340 High Density States	372,387,459
Section 5340 Growing States	301,096,803
Reapportioned Funds	2,344,574
Total Apportioned	7,394,716,046

For more information about the Urbanized Area Formula Grant Program, contact Thomas Wilson with the Office of Transit Programs, at thomas.wilson@dot.gov.

E. Fixed Guideway Capital Investment Grants Program (49 U.S.C. 5309)

The Fixed Guideway Capital Investment Grants (CIG) Program and Expedited Project Delivery (EPD) Pilot Program provide Federal assistance for new fixed guideway capital projects, small start projects, and core capacity improvement projects.

The specific requirements of this program are set forth in 49 U.S.C. 5309, 49 CFR part 611, and FTA's CIG Policy Guidance, available at: [https://](https://www.transit.dot.gov/funding/grant-programs/capital-investments/capital-investment-grants-program-regulations-guidance)

www.transit.dot.gov/funding/grant-programs/capital-investments/capital-investment-grants-program-regulations-guidance.

1. Authorized Amounts

IJA authorized \$15 billion to be appropriated over five years for the CIG program and the (EPD) Pilot Program, and provided an additional \$8 billion in advance appropriations.

2. FY 2025 Funding Availability

For FY 2025, \$3,805,000,000 is available for the CIG Program and the FAST Act Section 3005(b) EPD Pilot Program under the Full-Year Continuing Appropriations and Extensions Act, 2025 and the IJA advance

appropriations. The total amount available for projects is \$3,766,950,000 as shown in the table below, after the deduction for oversight.

3. Period of Availability

Funding is available for four years, which is the fiscal year in which the amount is allocated to a project plus three additional years. Therefore, funds for a project allocated funding in FY 2025 must be obligated for the project by September 30, 2028. Section 5309 funds that remain unobligated after four fiscal years to the projects for which they were originally designated may be made available for other Section 5309 projects.

Capital Investment Grant Program—FY 2025

Total Appropriation	\$3,805,000,000
Oversight Deduction	(38,050,000)
Total Apportioned	3,766,950,000

For more information about the CIG program contact Peter Mazurek at peter.mazurek@dot.gov.

F. Enhanced Mobility of Seniors and Individuals With Disabilities Program (49 U.S.C. 5310)

The Enhanced Mobility of Seniors and Individuals with Disabilities Program provides capital and operating assistance to improve mobility for older adults and people with disabilities by removing barriers to transportation service and expanding transportation mobility options. The specific requirements of this program are set forth in 49 U.S.C. 5310 and FTA Circular 9070.1H, "Enhanced Mobility of Seniors and Individuals with Disabilities Program Guidance," dated November 1, 2024, available at: <https://www.transit.dot.gov/regulations-and-programs/fta-circulars/enhanced-mobility-seniors-and-individuals-disabilities>.

1. Authorized Amounts

IJA authorized \$1.9 billion over five years for the Enhanced Mobility of Seniors and Individuals with Disabilities formula program, with an additional \$250 million provided in advance appropriations.

2. FY 2025 Funding Availability

In FY 2025, \$446,932,778 is appropriated for the program. A total of \$443,948,114 is available for allocation after the oversight and administrative deduction.

3. Period of Availability

For Enhanced Mobility of Seniors and Individuals with Disabilities Program funds apportioned under this notice, the period of availability is the year of apportionment plus two additional years. Accordingly, funds apportioned in FY 2025 must be obligated in grants by September 30, 2027. Any FY 2024, apportioned funds that remain unobligated at the close of business on September 30, 2027, will revert to FTA for reapportionment among the States and urbanized areas.

Section 5310 Formula Program—FY 2025

Total Appropriation	\$446,932,778
Oversight and Administrative Transfer to OIG	(2,979,664) (5,000)
Total Apportioned	443,948,114

For more information about the Section 5310 program, contact Destiny Buchanan, Office of Transit Programs, at destiny.buchanan@dot.gov.

G. Formula Grants for Rural Areas Program (49 U.S.C. 5311)

The Rural Areas Program provides formula funding to States and federally recognized Indian tribes to support public transportation in areas with a population of less than 50,000. The specific requirements of this program are set forth in 49 U.S.C. 5311 and FTA Circular 9040.1H, "Rural Areas Formula Grant Programs Guidance," dated November 1, 2024, available at <https://www.transit.dot.gov/regulations-and-programs/fta-circulars/formula-grants-rural-areas-program-guidance>.

[programs/fta-circulars/formula-grants-rural-areas-program-guidance](https://www.transit.dot.gov/regulations-and-programs/fta-circulars/formula-grants-rural-areas-program-guidance).

1. Authorized Amounts

IJA authorized \$4.6 billion over five years to provide financial assistance by formula for rural areas under Section 5311 and three other programs: the Rural Transit Assistance Program (RTAP); the Appalachian Development Public Transportation Assistance Program (ADTAP); and the Tribal Transit Program (TTP). These separate programs are described in the Sections that follow.

2. FY 2025 Funding Availability

In FY 2025, \$842,263,842 is available for formula grants within the Formula Grants for Rural Areas Program. The total amount apportioned to the program is \$956,643,454 as shown in the table below, after the addition of Section 5340 Growing State apportionments, reapportioned funds, and the oversight deduction.

3. Period of Availability

The Rural Areas program funds apportioned in this notice are available for obligation during FY 2025 plus two additional years. Any FY 2025, apportioned funds that remain unobligated at the close of business on September 30, 2027, will revert to FTA for reapportionment under the Rural Areas program.

Formula Grants for Rural Areas Program—FY 2025

Total FY 2025 Appropriation	\$842,263,842
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Oversight Deduction	(469,244)
Section 5340 Growing States Reapportioned Funds	18,829,480 229,376
Total Apportioned	956,643,454

For more information about the Formula Grants for Rural Areas program, contact Matt Lange, Office of Transit Programs, at matthew.lange@dot.gov.

H. Rural Transportation Assistance Program (49 U.S.C. 5311(b)(3))

The RTAP provides funding to States to assist in the design and implementation of training and technical assistance projects, research, and other support services tailored to meet the needs of transit operators in rural areas. The specific requirements of this program are set forth in 49 U.S.C. 5311 and FTA Circular 9040.1H, “Rural Areas Formula Grant Programs Guidance,” dated November 1, 2024, available at <https://www.transit.dot.gov/regulations-and-programs/fta-circulars/formula-grants-rural-areas-program-guidance>.

1. Authorized Amounts

IJA authorizes \$91.6 million over five years to carry out the RTAP program. Of this amount, 15 percent is reserved for the competitive National RTAP (NRTAP) program.

2. FY 2025 Funding Availability

In FY 2025, \$18,716,974 is available for the RTAP. In FY 2025, besides the \$2.8 million takedown for NRTAP, an additional \$500,000 was appropriated for technical assistance to Tribes through NRTAP. The total amount apportioned for RTAP is \$15,981,225 as shown in the table below, after the deduction for NRTAP.

3. Period of Availability

The RTAP funds apportioned in this notice are available for obligation in FY 2025 plus two additional years, consistent with the Section 5311. Any FY 2025 apportioned funds that remain unobligated at the close of business on September 30, 2027, will revert to FTA for reapportionment under the Rural Areas program.

Rural Transportation Assistance Program—FY 2025	
Total Appropriation	\$18,716,974
National RTAP	(2,807,546)
Reapportioned Funds	71,797
Total Apportioned	15,981,225

For more information about RTAP contact Matt Lange, Office of Transit Programs, at matthew.lange@dot.gov.

I. Appalachian Development Public Transportation Assistance Program (49 U.S.C. 5311(c)(3))

The ADTAP provides additional funding to support public transportation in the Appalachian region. The specific requirements of this program are set forth in 49 U.S.C. 5311 and FTA Circular 9040.1H, “Rural Areas Formula Grant Programs Guidance,” dated November 1, 2024, available at <https://www.transit.dot.gov/regulations-and-programs/fta-circulars/formula-grants-rural-areas-program-guidance>.

1. Authorized Amounts

A total of \$137.4 million is authorized over five years by the IJA to support public transportation in the Appalachian region.

2. FY 2025 Funding Availability

In FY 2025, \$28,075,461 million is available and apportioned to the program as shown in the table below.

3. Period of Availability

The ADTAP funds are available the year of apportionment plus two additional years, consistent with Section 5311. Any FY 2025 apportioned funds that remain unobligated at the close of business on September 30, 2027, will revert to FTA for reapportionment under the Rural Areas program.

Appalachian Development Public Transportation Assistance Program—FY 2025	
Total FY 2025 Available	\$28,075,461
Total Apportioned	28,075,461

For more information about ADTAP, contact Matt Lange, Office of Transit Programs, at matthew.lange@dot.gov.

J. Formula Grants for Public Transportation on Indian Reservations Program (49 U.S.C. 5311(j))

The Public Transportation on Indian Reservations Program, also referred to as Tribal Transit Program (TTP), is funded as a takedown from the Section 5311 program. TTP funds are allocated to federally recognized American Indian Tribes and Alaskan Native Villages, groups and communities providing public transportation in rural areas for any purpose eligible under Section 5311, which includes capital, operating, planning, and job access and reverse commute projects. The specific requirements of this program are set forth in 49 U.S.C. 5311 and FTA Circular 9040.1H, “Rural Areas Formula Grant Programs Guidance,” dated

November 1, 2024, available at: <https://www.transit.dot.gov/regulations-and-programs/fta-circulars/formula-grants-rural-areas-program-guidance>.

1. Authorized Funding

A total of \$229 million is authorized over five years, of which \$183.25 million is for a formula program and \$45.8 million is for a competitive grant program.

2. FY 2025 Funding Availability

In FY 2025, \$37,433,948 is available for TPP. The total apportioned amount for the formula program is \$37,555,590 after the addition of reapportioned funds. The total apportioned amount for the competitive program is \$9,358,487.

3. Period of Availability

Funding under the TTP is available for the year of apportionment or allocation plus two additional years, consistent with the Section 5311 program. Any FY 2025 formula funds that remain unobligated at the close of business on September 30, 2027, will revert to FTA for reapportionment under the TTP.

Public Transportation on Indian Reservations Program Formula Grants—FY 2025	
Total FY 2025 Appropriation Available	\$37,433,948
Reapportioned Funds	121,642
Total Apportioned	37,555,590
Public Transportation on Indian Reservations Program Competitive Grants—FY 2025	
Total FY 2025 Appropriation Available	9,358,487
Total Apportioned	9,358,487

For more information about the TPP contact Sarah Clements, Office of Transit Programs at tribaltransit@dot.gov.

K. Public Transportation Innovation (49 U.S.C. 5312)

FTA’s Public Transportation Innovation program includes three distinct research programs: (a) Research, Development, Demonstration, Deployment, and Evaluation (49 U.S.C. 5312(b)–(e)); (b) Low or No Emission Vehicle Component Assessment (LoNo CAP) (49 U.S.C. 5312(h)); and (c) Transit Cooperative Research (TCRP) (49 U.S.C. 5312(i)). The specific requirements of these programs are set forth in 49 U.S.C. 5312 and FTA Circular 6100.1E, “Research, Technical Assistance, and Training Programs: Application

Instructions and Program Management Guidelines,” dated May 11, 2015, available at <https://www.transit.dot.gov/regulations-and-guidance/fta-circular-61001e-research-technical-assistance-and-training-programs>.

1. Authorized Funding

IJA authorizes \$192.8 million over five years.

2. FY 2025 Funding Availability

In FY 2025, \$42,957,861 is available for the Public Transportation Innovation program. The total amounts apportioned to each subcomponent of the program is shown below in the table.

3. Period of Availability

FTA establishes the period in which the funds must be obligated to the project. If the funds are not obligated within that period of time, they revert to FTA for reallocation under the program.

Public Transportation Innovation Program—FY 2025	
Research, Development, Demonstration, Deployment, and Evaluation	\$30,578,174
Low or No Emission Vehicle Component Testing	5,345,938
Transit Cooperative Research Program (TCRP)	7,033,749
Total Apportioned	42,957,861

For more information about the Public Transportation Innovation program, contact Dr. Maryam Allahyar Wyrick, Office of Research, Demonstration and Innovation at maryam.allahyar@dot.gov.

L. Technical Assistance and Workforce Development (49 U.S.C. 5314)

The Technical Assistance and Workforce Development program provides assistance to: (1) carry out technical assistance activities that enable more effective and efficient delivery of transportation services, foster compliance with Federal laws, and improve public transportation service; (2) develop standards and best practices for the transit industry; and (3) address public transportation workforce needs through research, outreach, training and the implementation of a frontline workforce grant program, and conduct training and educational programs in support of the public transportation industry. The specific requirements of this program are set forth in 49 U.S.C. 5314 and FTA Circular 6100.1E, “Research, Technical Assistance, and Training Programs: Application Instructions and Program Management Guidelines,” dated May

11, 2015, available at <https://www.transit.dot.gov/regulations-and-guidance/fta-circular-61001e-research-technical-assistance-and-training-programs>.

1. Authorized Amounts

IJA authorizes \$61.98 million over five years for technical assistance. Of this amount, \$34.4 million is authorized for the National Transit Institute under Section 5314(c).

2. FY 2025 Funding Availability

The IJA authorized \$12,660,748 for FY 2025 for the Technical Assistance and Workforce Development program, as shown in the table below. The total amount apportioned for the program is \$13,126,999 after the deduction of for National Transit Institute and the inclusion of \$7,500,000 in additional appropriations under the Full-Year Continuing Appropriations and Extensions Act, 2025.

3. Period of Availability

FTA establishes the period in which the funds must be obligated to the project. If the funds are not obligated within that period of time, they revert to FTA for reallocation under the program.

Technical Assistance and Workforce Development Program—FY 2025	
Technical Assistance, Standards Development & Human Resource Training	\$12,660,748 (7,033,749)
National Transit Institute	
Additional FY 2025 Appropriation	7,500,000
Total Appropriated	13,126,999

For more information about the Technical Assistance and Workforce Development program, contact Dr. Maryam Allahyar Wyrick, Office of Research, Demonstration, and Innovation at maryam.allahyar@dot.gov.

M. Public Transportation Emergency Relief Program (49 U.S.C. 5324)

FTA’s Emergency Relief (ER) Program provides funding for public transportation expenses incurred as a result of an emergency or major disaster. The specific requirements of this program are set forth in 49 U.S.C. 5324 and FTA’s “Emergency Relief Manual: A Reference Manual for States & Transit Agencies on Response and Recovery from Declared Disasters and FTA’s Emergency Relief Program (49 U.S.C. 5324),” dated March 27, 2023, available at: <https://www.transit.dot.gov/sites/fta.dot.gov/files/2023-03/FTA->

Emergency-Relief-Manual-March-2023.pdf.

For more information, contact Thomas Wilson, Office of Program Management, at thomas.wilson@dot.gov.

N. Public Transportation Safety Program (49 U.S.C. 5329)

Section 5329(e)(6) provides formula funding to support States with rail fixed guideway public transportation systems to develop and carry out state safety oversight programs, and is referred to as FTA’s State Safety Oversight (SSO) Program. The specific requirements of the SSO program are set forth in 49 U.S.C. 5329 and 49 CFR parts 670 and 674.

1. Authorized Amounts

A total of \$251.6 million is authorized over five years for the SSO Program.

2. FY 2025 Funding Availability

In FY 2025, \$51,387,466 is available for the SSO Program, which is 0.75 percent of the amount made available for Section 5307 grants. The total amount apportioned for the formula program is \$51,551,125 after the addition of reappropriated funds, as shown in the table below.

3. Period of Availability

SSO Program funds are available for the year of apportionment plus two additional years. Any FY 2025 funds that remain unobligated as of September 30, 2027, will revert to FTA for reappropriation under the SSO Formula Grant Program.

Public Transportation Safety Program—FY 2025	
Total Appropriation	\$51,387,466
Reappropriated Funds	166,659
Total Apportioned	51,551,125

For more information about the SSO program, contact Melonie Barrington, Office of Safety Review, at melonie.barrington@dot.gov.

O. State of Good Repair Program (49 U.S.C. 5337)

The State of Good Repair (SGR) Program provides capital assistance for maintenance, replacement, and rehabilitation projects of existing high intensity fixed guideway and high intensity motorbus systems to maintain a state of good repair. In addition, SGR grants are eligible for developing and implementing Transit Asset Management plans. The specific requirements of this program are set forth in 49 U.S.C. 5337 and FTA Circular 9050.1A, “Urbanized Area

Formula Grant Programs Guidance,” dated November 1, 2024, available at <https://www.transit.dot.gov/regulations-and-programs/fta-circulars/urbanized-areas-formula-grant-programs-guidance>.

1. Authorized Amounts

IIJA authorized \$18.39 billion over five years for the SGR Program, including \$1.5 billion for the Rail Vehicle Replacement Program, and provided an additional \$4.75 billion in advance appropriations.

2. FY 2025 Funding Availability

In FY 2025, \$4,705,675,417 is available for the SGR Program. The total amount apportioned is \$4,349,878,139 after the deductions for oversight and transfers to the Office of Inspector General, the set-aside for the Rail Vehicle Replacement Program, and the addition of reapportioned funds as shown in the table below. Of the total amount apportioned, \$4,225,928,257 is available for the High Intensity Fixed Guideway Formula and \$123,949,882 for the High Intensity Motorbus Formula.

3. Period of Availability

The SGR Program funds apportioned in this notice are available for obligation during FY 2025 plus three additional years. Accordingly, funds apportioned in FY 2025 must be obligated through grants by September 30, 2028. Any FY 2025, apportioned funds that remain unobligated at the close of business on September 30, 2028, will revert to FTA for reapportionment under the State of Good Repair Program.

State of Good Repair Formula Program—FY 2025	
Total Appropriation	\$4,705,675,417
Oversight Deductions	(56,461,754)
Transfer to OIG	(95,000)
Reapportioned Funds	759,476
FY 2025 Rail Replacement Competitive Grant	(300,000,000)
Total Available to Apportion	4,349,878,139
Total Available to High Intensity Fixed Guideway Formula	4,225,928,257
Total Available to High Intensity Motorbus Formula	123,949,882

For more information about the SGR program, contact Alexandra Galanti, Office of Transit Programs, at alexandra.galanti@dot.gov.

P. Grants for Buses and Bus Facilities Program (49 U.S.C. 5339)

The Buses and Bus Facilities Program provides funding to replace, rehabilitate, and purchase buses and related equipment as well as construct bus-related facilities. The specific requirements for this program are set forth in 49 U.S.C. 5339, FTA Circular 9050.1A, “Urbanized Area Formula Grant Programs Guidance,” dated November 1, 2024, available at: <https://www.transit.dot.gov/regulations-and-programs/fta-circulars/urbanized-areas-formula-grant-programs-guidance>, and FTA Circular 9040.1H, “Rural Areas Formula Grant Programs Guidance,” dated November 1, 2024, available at: <https://www.transit.dot.gov/regulations-and-programs/fta-circulars/formula-grants-rural-areas-program-guidance>.

1. Authorized Amounts

IIJA authorized a total of \$5.5 billion over five years for the Section 5339 Program. IIJA provided an additional \$5.25 billion over five years in advance appropriations for the Section 5339(c) Low or No Emission Program.

2. FY 2025 Funding Availability

For FY 2025, \$2,250,495,863 is available for Grants for Buses and Bus Facilities. Of this amount: \$643,923,309 is available for the Buses and Bus Facilities Formula Program after the deduction for oversight and the addition of reapportioned funds; \$398,103,239 is available for the Buses and Bus Facilities Competitive Program after the takedowns for oversight and the Low or No Emission Program; and \$1,105,512,334 (including advance appropriations) is available for the Low or No Emission Program after the takedowns for oversight and transfer to the OIG. These amounts are detailed in the table below.

3. Period of Availability

The Buses and Bus Facilities Formula Program funds apportioned in this notice are available for obligation during FY 2025 plus three additional years. Accordingly, funds apportioned in FY 2025 must be obligated in grants by September 30, 2028. Any FY 2025 apportioned funds that remain unobligated at the close of business on September 30, 2028, will revert to FTA for reapportionment under the Buses and Bus Facilities Formula Program. Discretionary program funds authorized under Section 5339(b) and (c) (Bus Competitive and Low-No, respectively) follow the same period of availability: year of allocation to a project plus three additional years.

5339(a) Formula Grants for Buses and Bus Facilities

Total FY 2025 Appropriation Available	\$645,781,441
Oversight Deduction	(4,843,361)
Reapportioned Funds	2,985,229
Total Apportioned	643,923,309

Section 5339(b) Competitive Grants for Buses and Bus Facilities

Total FY 2025 Appropriation Available	478,202,088
Oversight Deduction	(3,586,515)
Less Section 5339(c) Low or No Emission Grants (Competitive)	(76,512,334)
Total Apportioned	398,103,239

Section 5339(c) Low or No Emission Grants (Competitive)

Total FY 2025 Available	1,126,512,334
Less FY 2025 Oversight and Admin	(20,895,000)
Less FY 2025 Transfer to OIG	(105,000)
Total Available for Allocation	1,105,512,334

For more information about the Buses and Bus Facilities Formula and Competitive Programs, contact Kirsten Wiard-Bauer, Office of Transit Programs at kirsten.wiard-bauer@dot.gov.

Q. Growing States and High-Density States Formula Factors (49 U.S.C. 5340)

This program apportions funding based on growing States and high-density States formula factors as set forth in 49 U.S.C. 5340.

1. Authorized Amounts

IIJA authorized \$3.879 billion over five years for the Growing States and High-Density States Formula program.

2. FY 2025 Funding Availability

In FY 2025, \$792,313,742 is authorized and appropriated for apportionment in accordance with the formula factors prescribed for Growing States and High-Density States set forth in Section 5340 for FY 2025.

Growing States and High-Density States Formula Factors—FY 2025

5340 High Density States	\$372,387,459
5340 Growing States	419,926,283
Total Apportioned	792,313,742

R. Washington Metropolitan Area Transit Authority Grants

This program provides capital and preventive maintenance grants to the

Washington Metropolitan Area Transit Authority (WMATA).

1. Authorized Amounts

Section 601(f) of the Passenger Rail Investment and Improvement Act of 2008 (Pub. L. 110–432, div. B), as amended by IIJA, authorized \$150 million per year for each of fiscal years of 2022 through 2030 for capital and preventive maintenance grants to WMATA.

2. FY 2025 Funding Availability

In FY2025, \$150,000,000 is authorized for the program. The total amount available is \$148,500,000 after the deduction for oversight as shown in the table below.

3. Period of Availability

Funds remain available until expended however application for these funds by the end of FY 2027 is encouraged.

Washington Metropolitan Area Transit Authority Grants—FY 2025	
Total Appropriation	\$150,000,000
Oversight Deduction	(1,500,000)
Total Apportioned	148,500,000

IV. FTA Policy and Procedures for FY 2025 Grants

A. Grant Application and Post Grant Management Procedures

All grant applications are filed electronically. FTA continues to award and manage grants and cooperative agreements using the Transit Award Management System (TrAMS). To access TrAMS, contact your FTA Regional Office. Resources on using TrAMS can be found on FTA's website at <https://www.transit.dot.gov/TrAMS>. All recipients of FTA funds are required to report on their grants. Reports should demonstrate reasonable progress is being made on the project. FTA will continue to focus on closing or bringing into compliance inactive grants or grants that do not comply with reporting requirements. The requirements for application development, grant management, reporting and close-out procedures can be found in FTA Circular 5010.1F, "Award Management Requirements," dated November 1, 2024, available at <https://www.transit.dot.gov/regulations-and-programs/fta-circulars/award-management-requirements-circular>.

B. Automatic Pre-Award Authority To Incur Project Costs

FTA provides pre-award authority to permit expenses to be incurred before a

grant award for certain programs. Pre-award authority allows a recipient to incur certain project costs before the start date of an award and makes those costs allowable for subsequent reimbursement after award of the grant. Before incurring pre-award costs, recipients are strongly encouraged to consult with the appropriate FTA Regional Office regarding the eligibility of the project for future FTA funds and requirements that must be met to preserve the eligibility of the pre-award costs. This notice discusses pre-award authority for formula programs. FTA typically discusses pre-award authority for discretionary programs in the notices of funding opportunity (NOFO) that invite applications to those programs. For project sponsors progressing towards application for an award under FTA's Capital Investment Grants (CIG) program, FTA will provide specific, limited pre-award authority directly to the project sponsor.

By this notice, FTA continues to provide pre-award authority through the authorization period of IIJA (October 1, 2022, through September 30, 2026) for capital assistance under all formula programs, subject to the following:

1. Pre-award costs are allowable only to the extent they would have been allowed if incurred after the start date of the award. Therefore, pre-award costs must comply with all statutory, regulatory, and policy requirements as if they had been incurred after the date of the award. FTA's extension of pre-award authority is not a guarantee all costs a recipient incurs pre-award will be allowable.

2. No action will be taken by the recipient that prejudices the legal and administrative findings FTA must make in order to approve a project. The undertaking of certain activities (e.g., land acquisition, demolition, or construction) that would compromise FTA's ability to comply with Federal environmental review laws may render the project ineligible for FTA funding.

3. The Federal amount of any future FTA assistance awarded to the recipient for the project will be determined either as a fixed Federal amount or as a Federal share (percentage) of net project costs. Allowable pre-award costs will be reimbursed at the rate of the Federal share set in the award.

4. For funds to which the pre-award authority applies, the authority expires with the lapsing of the fiscal year funds.

5. When a grant for the project is subsequently awarded, the grant and the Federal Financial Report in TrAMS must show the use of pre-award authority and the recipient must submit an initial Federal Financial Report to

associate the pre-award costs with the award.

6. Environmental Requirements—All Federal grant requirements must be met at the appropriate time for the project to remain eligible for Federal funding. Designated recipients may incur costs for design and environmental review activities for all formula funded projects from the date of the authorization of the formula funds. For projects that qualify for a categorical exclusion (CE) pursuant to 23 CFR 771.118(c), designated recipients may start activities and incur costs under pre-award authority for property acquisition, demolition, construction, and acquisition of vehicles, equipment, or construction materials from the date of the authorization of formula funds. FTA recommends that a grant applicant considering a CE pursuant to 23 CFR 771.118(c) contact the appropriate FTA Regional Office for assistance in determining the proper environmental review process, including other applicable environmental laws, and level of documentation necessary before incurring the above-mentioned costs. This applies especially when the grant applicant believes a "c-list" CE with construction activities, such as 23 CFR 771.118(c)(8), (9), (10), (12), or (13), applies to its project or if a grant applicant intends to acquire property through the use of pre-award authority.

If FTA subsequently finds a project does not qualify for a CE under 23 CFR 771.118(c) and the sponsor has already undertaken activities under pre-award authority that are only allowable for projects that qualify for a CE under 23 CFR 771.118(c), the project will be ineligible for FTA assistance. For all other non-CIG projects that do not qualify for a CE under 23 CFR 771.118(c), grant applicants may take action and incur costs for property acquisition, demolition, construction, and acquisition of vehicles, equipment, or construction materials from the date that FTA completes the environmental review process required by NEPA and its implementing regulations, 23 U.S.C. 139, and other environmental laws, by its issuance of a 23 CFR 771.118(d) CE determination, a finding of no significant impact (FONSI), a combined final environmental impact statement (FEIS)/record of decision (ROD), or a ROD. For projects funded by the CIG program, pre-award authority is specifically granted as described in the letter granting entry into the Project Development phase.

7. Federal procurement procedures, as well as the whole range of applicable Federal requirements (e.g., Buy America and the Build America, Buy America

Act; Davis-Bacon Act; competitive procurements; Disadvantaged Business Enterprise), must be followed for projects in which Federal funding will be sought in the future. Failure to follow any such requirements could make the project ineligible for Federal funding.

C. Letter of No Prejudice (LONP) Policy

A Letter of No Prejudice (LONP) is a type of pre-award authority. An LONP allows an applicant to incur project costs before the start date of an award and makes those costs allowable for subsequent reimbursement after grant award. FTA uses LONPs to grant pre-award authority for projects and activities not covered by automatic pre-award authority (see above in this notice).

As with other uses of pre-award authority, the recipient assumes all risk for the costs it incurs under an LONP. FTA's issuance of an LONP is not a guarantee FTA will make an award to the recipient. FTA is not required to reimburse the recipient for pre-award costs incurred under an LONP if FTA does not ultimately make an award to the recipient or if the award is less than the recipient expected.

Typically, LONPs are used for sponsors with projects progressing towards application for an award under the Section 5309 CIG program when those sponsors undertake activities not covered under automatic pre-award authority. FTA also may use an LONP for a formula program if a recipient will incur costs beyond the expiration of the program's authorization or outside of FTA's grant of automatic pre-award authority. Unlike automatic pre-award authority, an LONP usually will be addressed to a specific recipient and will be limited to specific kinds of costs and a specific period of time.

The conditions and requirements for pre-award authority specified in Section IV.B of this notice above apply to all LONPs. Because some project implementation activities may not be initiated before completion of the federal environmental review process, FTA will not issue an LONP for such activities until the environmental review process has been completed with a combined FEIS/ROD, ROD, FONSI, or CE determination.

D. FY 2025 Annual List of Certifications and Assurances

Section 5323(n) requires FTA to annually publish a list of all certifications required under Chapter 53 concurrently with the publication of this annual apportionment notice. The FY 2025 version of FTA's Certifications and Assurances is available on FTA's

website at <https://www.transit.dot.gov/funding/grants/grantee-resources/certifications-and-assurances/fy2025-annual-list-certifications>.

FTA cannot make an award or an amendment to an award unless the recipient has executed the latest version of FTA's Certifications and Assurances. FTA encourages recipients of formula funding to execute the FY 2025 Certifications and Assurances electronically in TrAMS early, to prevent delays processing their grant applications.

E. Civil Rights Requirements

Recipients must ensure their programs and services operate in a nondiscriminatory manner and fulfill reporting requirements to document their civil rights compliance as a condition to receiving Federal funds. Recipients must comply with the Americans with Disabilities Act (ADA) of 1990; Title VI of the Civil Rights Act of 1964 and implementing regulation at 49 CFR part 21; and the Department's Disadvantaged Business Enterprise (DBE) program regulation at 49 CFR part 26.

Recipients are encouraged to reach out to FTA when contemplating new projects, new services, or new service models for technical assistance and guidance, to support recipients in complying with Federal civil rights requirements. For more information about civil rights requirements, contact Nicholas Sun, Office of Civil Rights, at nicholas.sun@dot.gov.

V. Guidance Disclaimer

This guidance document is not legally binding in its own right, and FTA will not rely upon it as a separate basis for affirmative enforcement actions or other administrative penalty. Conformity with this document (as distinct from existing statutes and regulations) is voluntary only, and nonconformity will not affect rights and obligations under existing statutes and regulations.

Marcus J. Molinaro,
Administrator.

[FR Doc. 2025–17784 Filed 9–12–25; 8:45 am]

BILLING CODE 4910–57–P

DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

[Docket No. FTA–2025–0101]

Notice of Withdrawal of Environmental Justice Guidance

AGENCY: Federal Transit Administration (FTA), Department of Transportation (DOT).

ACTION: Notice of withdrawal of guidance.

SUMMARY: The Federal Transit Administration withdraws guidance document Circular 4703.1, Environmental Justice.

DATES: The withdrawal is applicable as of September 15, 2025.

FOR FURTHER INFORMATION CONTACT:

Diane Alexander, Federal Transit Administration, 1200 New Jersey Avenue SE, Washington, DC 20590, phone: (202) 366–3101, or email: diane.alexander@dot.gov.

SUPPLEMENTARY INFORMATION: In 2012, the FTA published Circular 4703.1, “Environmental Justice Policy Guidance for Federal Transit Administration Recipients.” 77 FR 42077 (July 17, 2012). Circular 4703.1 implemented Executive Order 12898, “Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations,” 59 FR 7629 (February 16, 1994), and U.S. Department of Transportation (DOT) Order 5610.2(a), “Actions to Address Environmental Justice in Minority Populations and Low-Income Populations,” 77 FR 27534 (May 10, 2012).

On January 21, 2025, the President issued Executive Order 14173 titled “Ending Illegal Discrimination and Restoring Merit-Based Opportunity,” 90 FR 8633 (Jan. 21, 2025). Among other actions, this order revoked Executive Order 12898.

On January 29, 2025, the Secretary of Transportation issued a memorandum describing “initial steps to be taken by the U.S. Department of Transportation . . . to implement the provisions of several executive orders.” Among other actions, this memorandum cancelled Departmental Order 5610.2C titled “U.S. Department of Transportation Actions to Address Environmental Justice in Minority Populations and Low-Income Populations.” DOT Order 5610.2C superseded the previously issued DOT Order 5610.2B, which itself superseded DOT Order 5610.2(a).

Executive Order 12898 and DOT Order 5610.2(a) provided the legal basis for FTA Circular 4703.1. As these authorities are no longer in effect, FTA is withdrawing Circular 4703.1.

Marcus J. Molinaro,
Administrator.

[FR Doc. 2025–17783 Filed 9–12–25; 8:45 am]

BILLING CODE 4910–57–P

DEPARTMENT OF TRANSPORTATION**Maritime Administration****[Docket No. MARAD–2025–0729]****Request Notice: Use of Foreign-Built Small Passenger Vessel in United States Coastwise Trade, M/V POLARIS****AGENCY:** Maritime Administration (MARAD), U.S. Department of Transportation (DOT).**ACTION:** Notice and request for comments.

SUMMARY: The Secretary of Transportation, as represented by MARAD, is authorized to make determinations regarding the coastwise use of foreign built; certain U.S. built; and U.S. and foreign rebuilt vessels that solely carry no more than twelve passengers for hire. MARAD has received such a determination request and is publishing this notice to solicit comments to assist with determining whether the proposed use of the vessel set forth in the request would have an adverse effect on U.S. vessel builders or U.S. coastwise trade businesses that use U.S.-built vessels in those businesses. Information about the requestor's vessel, including a description of the proposed service, is in the **SUPPLEMENTARY INFORMATION** section below.

DATES: Submit comments on or before October 15, 2025.

ADDRESSES: You may submit comments identified by DOT Docket Number MARAD–2025–0729 by any one of the following methods:

- *Federal eRulemaking Portal:* Go to <https://www.regulations.gov>. Search the above DOT Docket Number and follow the instructions for submitting comments.

- *Mail or Hand Delivery:* Docket Management Facility is in the West Building, Ground Floor of the U.S. Department of Transportation. The Docket Management Facility location address is 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.

Note: If you mail or hand-deliver your comments, we recommend that you include the DOT Docket Number, your name and a mailing address, an email address or a telephone number in the body of your document so that we can contact you if we have questions regarding your submission.

Instructions: All submissions received must include the agency name and specific DOT Docket Number. All

comments received will be posted without change to the docket at www.regulations.gov, including any personal information provided. For detailed instructions on submitting comments, or to submit comments that are confidential in nature, see the section entitled Public Participation.

FOR FURTHER INFORMATION CONTACT: Patricia Hagerty, U.S. Department of Transportation, Maritime Administration, 1200 New Jersey Avenue SE, Mail Stop 2, MAR–620, Washington, DC 20590. Telephone: (202) 366–5400. Email: smallvessels@dot.gov.

SUPPLEMENTARY INFORMATION: Pursuant to 46 U.S.C. 12121(b), the U.S. Coast Guard may issue a certificate of documentation with a coastwise trade endorsement for eligible, small passenger vessels authorized to carry no more than 12 passengers for hire if MARAD, after notice and an opportunity for public comment, determines the use of the small passenger vessel in the coastwise trade will not adversely affect United States vessel builders or the coastwise trade business of any person that employs vessels built in the United States in that business.¹

MARAD has received an eligibility determination request. Further details about the requester's vessel and its proposed operations may be found in the determination request posted in the DOT Docket Number listed in the **ADDRESSES** section above at <https://www.regulations.gov>. Interested parties may comment on the undue adverse effect this action may have on U.S. vessel builders or coastwise trade businesses in the U.S. that employ U.S.-built vessels in those businesses. Comments should refer to the vessel name, state the commenter's interest in the request, and demonstrate, with supporting documentation, the undue adverse effect on U.S. vessel builders and coastwise trade businesses.

Public Participation*How do I submit comments?*

Please submit comments, including the attachments, following the instructions provided under the above heading entitled **ADDRESSES**. It may take a few hours or even days for comments to be reflected on the docket. Comments must be written in English. Provide concise comments and attach additional

documents as necessary. There is no limit on the length of the attachments.

Where do I go to read public comments, and find supporting information?

The docket online is located at <https://www.regulations.gov>, keyword search the DOT Docket Number list in the **ADDRESSES** section above or visit the Docket Management Facility (see **ADDRESSES** for hours of operation). Please periodically check the Docket for new submissions and supporting material.

Will my comments be made available to the public?

Yes. Your entire comment, including your personal identifying information, will be made publicly available.

May I submit comments confidentially?

You may request that MARAD treat your comments as commercially confidential by submitting them to SmallVessels@dot.gov. Include in the email subject heading “Contains Confidential Commercial Information” or “Contains CCI” and state in your submission, with specificity, the basis for any such confidential treatment highlighting the CCI portions. If possible, please provide a summary of your submission that can be made available to the public.

If MARAD receives a Freedom of Information Act (FOIA) request for the information, procedures described in the Department's FOIA regulation at 49 CFR 7.29 will be followed. Only information that is ultimately determined to be confidential under those procedures will be exempt from disclosure under FOIA.

Privacy Act

Anyone can search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). For information on DOT's compliance with the Privacy Act, please visit <https://www.transportation.gov/privacy>.

(Authority: 46 U.S.C. 12121, 49 CFR 1.93(a))

By Order of the Maritime Administration.

T. Mitchell Hudson, Jr.,

Secretary, Maritime Administration.

[FR Doc. 2025–17758 Filed 9–12–25; 8:45 am]

BILLING CODE 4910–81–P

¹ The U.S. Coast Guard and MARAD have authority under 46 U.S.C. 12121(b) through the Secretary of the Department of Homeland Security and the Secretary of the Department of Transportation, respectively.

DEPARTMENT OF TRANSPORTATION**Maritime Administration****[Docket No. MARAD–2025–0696]****Request Notice: Use of Foreign-Built Small Passenger Vessel in United States Coastwise Trade, M/V IVY****AGENCY:** Maritime Administration (MARAD), U.S. Department of Transportation (DOT).**ACTION:** Notice and request for comments.

SUMMARY: The Secretary of Transportation, as represented by MARAD, is authorized to make determinations regarding the coastwise use of foreign built; certain U.S. built; and U.S. and foreign rebuilt vessels that solely carry no more than twelve passengers for hire. MARAD has received such a determination request and is publishing this notice to solicit comments to assist with determining whether the proposed use of the vessel set forth in the request would have an adverse effect on U.S. vessel builders or U.S. coastwise trade businesses that use U.S.-built vessels in those businesses. Information about the requestor's vessel, including a description of the proposed service, is in the **SUPPLEMENTARY INFORMATION** section below.

DATES: Submit comments on or before October 15, 2025.**ADDRESSES:** You may submit comments identified by DOT Docket Number MARAD–2025–0696 by any one of the following methods:

- *Federal eRulemaking Portal:* Go to <https://www.regulations.gov>. Search the above DOT Docket Number and follow the instructions for submitting comments.

- *Mail or Hand Delivery:* Docket Management Facility is in the West Building, Ground Floor of the U.S. Department of Transportation. The Docket Management Facility location address is 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.

Note: If you mail or hand-deliver your comments, we recommend that you include the DOT Docket Number, your name and a mailing address, an email address or a telephone number in the body of your document so that we can contact you if we have questions regarding your submission.

Instructions: All submissions received must include the agency name and specific DOT Docket Number. All

comments received will be posted without change to the docket at www.regulations.gov, including any personal information provided. For detailed instructions on submitting comments, or to submit comments that are confidential in nature, see the section entitled Public Participation.

FOR FURTHER INFORMATION CONTACT: Patricia Hagerty, U.S. Department of Transportation, Maritime Administration, 1200 New Jersey Avenue SE, Mail Stop 2, MAR–620, Washington, DC 20590. Telephone: (202) 366–5400. Email: smallvessels@dot.gov.

SUPPLEMENTARY INFORMATION: Pursuant to 46 U.S.C. 12121(b), the U.S. Coast Guard may issue a certificate of documentation with a coastwise trade endorsement for eligible, small passenger vessels authorized to carry no more than 12 passengers for hire if MARAD, after notice and an opportunity for public comment, determines the use of the small passenger vessel in the coastwise trade will not adversely affect United States vessel builders or the coastwise trade business of any person that employs vessels built in the United States in that business.¹

MARAD has received an eligibility determination request. Further details about the requester's vessel and its proposed operations may be found in the determination request posted in the DOT Docket Number listed in the **ADDRESSES** section above at <https://www.regulations.gov>. Interested parties may comment on the undue adverse effect this action may have on U.S. vessel builders or coastwise trade businesses in the U.S. that employ U.S.-built vessels in those businesses. Comments should refer to the vessel name, state the commenter's interest in the request, and demonstrate, with supporting documentation, the undue adverse effect on U.S. vessel builders and coastwise trade businesses.

Public Participation*How do I submit comments?*

Please submit comments, including the attachments, following the instructions provided under the above heading entitled **ADDRESSES**. It may take a few hours or even days for comments to be reflected on the docket. Comments must be written in English. Provide concise comments and attach additional

documents as necessary. There is no limit on the length of the attachments.

Where do I go to read public comments, and find supporting information?

The docket online is located at <https://www.regulations.gov>, keyword search the DOT Docket Number list in the **ADDRESSES** section above or visit the Docket Management Facility (see **ADDRESSES** for hours of operation). Please periodically check the Docket for new submissions and supporting material.

Will my comments be made available to the public?

Yes. Your entire comment, including your personal identifying information, will be made publicly available.

May I submit comments confidentially?

You may request that MARAD treat your comments as commercially confidential by submitting them to SmallVessels@dot.gov. Include in the email subject heading “Contains Confidential Commercial Information” or “Contains CCI” and state in your submission, with specificity, the basis for any such confidential treatment highlighting the CCI portions. If possible, please provide a summary of your submission that can be made available to the public.

If MARAD receives a Freedom of Information Act (FOIA) request for the information, procedures described in the Department's FOIA regulation at 49 CFR 7.29 will be followed. Only information that is ultimately determined to be confidential under those procedures will be exempt from disclosure under FOIA.

Privacy Act

Anyone can search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). For information on DOT's compliance with the Privacy Act, please visit <https://www.transportation.gov/privacy>.

(Authority: 46 U.S.C. 12121, 49 CFR 1.93(a))

By Order of the Maritime Administration.

T. Mitchell Hudson, Jr.,

Secretary, Maritime Administration.

[FR Doc. 2025–17757 Filed 9–12–25; 8:45 am]

BILLING CODE 4910–81–P

¹ The U.S. Coast Guard and MARAD have authority under 46 U.S.C. 12121(b) through the Secretary of the Department of Homeland Security and the Secretary of the Department of Transportation, respectively.

DEPARTMENT OF TRANSPORTATION**Maritime Administration****[Docket No. MARAD–2025–0663]****Request Notice: Use of Foreign-Built Small Passenger Vessel in United States Coastwise Trade, M/V DOLCE VITA****AGENCY:** Maritime Administration (MARAD), U.S. Department of Transportation (DOT).**ACTION:** Notice and request for comments.

SUMMARY: The Secretary of Transportation, as represented by MARAD, is authorized to make determinations regarding the coastwise use of foreign built; certain U.S. built; and U.S. and foreign rebuilt vessels that solely carry no more than twelve passengers for hire. MARAD has received such a determination request and is publishing this notice to solicit comments to assist with determining whether the proposed use of the vessel set forth in the request would have an adverse effect on U.S. vessel builders or U.S. coastwise trade businesses that use U.S.-built vessels in those businesses. Information about the requestor's vessel, including a description of the proposed service, is in the **SUPPLEMENTARY INFORMATION** section below.

DATES: Submit comments on or before October 15, 2025.

ADDRESSES: You may submit comments identified by DOT Docket Number MARAD–2025–0663 by any one of the following methods:

- *Federal eRulemaking Portal:* Go to <https://www.regulations.gov>. Search the above DOT Docket Number and follow the instructions for submitting comments.

- *Mail or Hand Delivery:* Docket Management Facility is in the West Building, Ground Floor of the U.S. Department of Transportation. The Docket Management Facility location address is 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.

Note: If you mail or hand-deliver your comments, we recommend that you include the DOT Docket Number, your name and a mailing address, an email address or a telephone number in the body of your document so that we can contact you if we have questions regarding your submission.

Instructions: All submissions received must include the agency name and

specific DOT Docket Number. All comments received will be posted without change to the docket at www.regulations.gov, including any personal information provided. For detailed instructions on submitting comments, or to submit comments that are confidential in nature, see the section entitled Public Participation.

FOR FURTHER INFORMATION CONTACT: Patricia Hagerty, U.S. Department of Transportation, Maritime Administration, 1200 New Jersey Avenue SE, Mail Stop 2, MAR–620, Washington, DC 20590. Telephone: (202) 366–5400. Email: smallvessels@dot.gov.

SUPPLEMENTARY INFORMATION: Pursuant to 46 U.S.C. 12121(b), the U.S. Coast Guard may issue a certificate of documentation with a coastwise trade endorsement for eligible, small passenger vessels authorized to carry no more than 12 passengers for hire if MARAD, after notice and an opportunity for public comment, determines the use of the small passenger vessel in the coastwise trade will not adversely affect United States vessel builders or the coastwise trade business of any person that employs vessels built in the United States in that business.¹

MARAD has received an eligibility determination request. Further details about the requester's vessel and its proposed operations may be found in the determination request posted in the DOT Docket Number listed in the **ADDRESSES** section above at <https://www.regulations.gov>. Interested parties may comment on the undue adverse effect this action may have on U.S. vessel builders or coastwise trade businesses in the U.S. that employ U.S.-built vessels in those businesses. Comments should refer to the vessel name, state the commenter's interest in the request, and demonstrate, with supporting documentation, the undue adverse effect on U.S. vessel builders and coastwise trade businesses.

Public Participation*How do I submit comments?*

Please submit comments, including the attachments, following the instructions provided under the above heading entitled **ADDRESSES**. It may take a few hours or even days for comments to be reflected on the docket. Comments must be written in English. Provide

¹ The U.S. Coast Guard and MARAD have authority under 46 U.S.C. 12121(b) through the Secretary of the Department of Homeland Security and the Secretary of the Department of Transportation, respectively.

concise comments and attach additional documents as necessary. There is no limit on the length of the attachments.

Where do I go to read public comments, and find supporting information?

The docket online is located at <https://www.regulations.gov>, keyword search the DOT Docket Number list in the **ADDRESSES** section above or visit the Docket Management Facility (see **ADDRESSES** for hours of operation). Please periodically check the Docket for new submissions and supporting material.

Will my comments be made available to the public?

Yes. Your entire comment, including your personal identifying information, will be made publicly available.

May I submit comments confidentially?

You may request that MARAD treat your comments as commercially confidential by submitting them to SmallVessels@dot.gov. Include in the email subject heading “Contains Confidential Commercial Information” or “Contains CCI” and state in your submission, with specificity, the basis for any such confidential treatment highlighting the CCI portions. If possible, please provide a summary of your submission that can be made available to the public.

If MARAD receives a Freedom of Information Act (FOIA) request for the information, procedures described in the Department's FOIA regulation at 49 CFR 7.29 will be followed. Only information that is ultimately determined to be confidential under those procedures will be exempt from disclosure under FOIA.

Privacy Act

Anyone can search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). For information on DOT's compliance with the Privacy Act, please visit <https://www.transportation.gov/privacy>.

(Authority: 46 U.S.C. 12121, 49 CFR 1.93(a))

By Order of the Maritime Administration.

T. Mitchell Hudson, Jr.,

Secretary, Maritime Administration.

[FR Doc. 2025–17756 Filed 9–12–25; 8:45 am]

BILLING CODE 4910–81–P

DEPARTMENT OF THE TREASURY**Internal Revenue Service****Agency Information Collection Activities; Comment Request on Heavy Highway Vehicle Use Tax Return**

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of information collection; request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, the IRS is inviting comments on the information collection request outlined in this notice.

DATES: Written comments should be received on or before November 14, 2025 to be assured of consideration.

ADDRESSES: Direct all written comments to Andres Garcia, Internal Revenue Service, Room 6526, 1111 Constitution Avenue NW, Washington, DC 20224, or by email to pra.comments@irs.gov. Include “OMB Control No. 1545–0143” in the subject line of the message.

FOR FURTHER INFORMATION CONTACT: View the latest drafts of the tax forms related to the information collection listed in this notice at <https://www.irs.gov/draft-tax-forms>. Requests for additional information or copies of this collection should be directed to Ronald J. Durbala, 202–317–5746.

SUPPLEMENTARY INFORMATION: The IRS, in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)), provides the public and Federal agencies with an opportunity to comment on proposed, revised, and continuing collections of information. This helps the IRS assess the impact and minimize the burden of its information collection requirements. Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record, and viewable on relevant websites. For this reason, please do not include in your comments information of a confidential nature, such as sensitive personal information. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency’s estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or

other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Title: Heavy Highway Vehicle Use Tax Return.

OMB Control Number: 1545–0143.

Form Number: 2290 and 2290–SP.

Abstract: Form 2290 and 2290–SP are used to compute and report the tax imposed by section 4481 on the highway use of certain motor vehicles. The information is used to determine whether the taxpayer has paid the correct amount of tax.

Current Actions: Updates to form and filing estimates will affect the burden previously approved.

Type of Review: Revision of a currently approved collection.

Affected Public: Individuals, Business or other for-profit; not-for-profit organizations.

Estimated Number of Responses: 965,100.

Estimated Time per Response: 16 hours, 33 minutes.

Estimated Total Annual Burden Hours: 15,972,406.

Dated: September 10, 2025.

Ronald J. Durbala,

Tax Analyst.

[FR Doc. 2025–17699 Filed 9–12–25; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF VETERANS AFFAIRS**Privacy Act of 1974; System of Records**

AGENCY: Department of Veterans Affairs (VA), Veterans Benefits Administration (VBA)

ACTION: Notice of a Modified System of Records

SUMMARY: Pursuant to Privacy Act of 1974, notice is hereby given that VA proposes to modify an existing system of records, “Compensation, Pension, Education, and Vocational Rehabilitation and Employment (VR&E) Records—VA” (58VA21/22/28).

DATES: Comments on this modified system of records must be received no later than 30 days after date of publication in the **Federal Register**. If no public comment is received during the period allowed for comment or unless otherwise published in the **Federal Register** by VA, this modified system of records will become effective a minimum of 30 days after date of publication in the **Federal Register**. If VA receives public comments, VA shall

review the comments to determine whether any changes to the notice are necessary.

ADDRESSES: Comments may be submitted through www.Regulations.gov or mailed to VA Privacy Service, 810 Vermont Avenue NW, (005X6F), Washington, DC 20420. Comments should indicate that they are submitted in response to “Compensation, Pension, Education, and Vocational Rehabilitation and Employment Records—VA (58VA21/22/28).” Comments received will be available at regulations.gov for public viewing, inspection, or copies.

FOR FURTHER INFORMATION CONTACT: Renee Raidt, Program Analyst, Office of Business Integration, Department of Veterans Affairs, 810 Vermont Avenue NW, Washington, DC 20420, Renee.Raidt@VA.gov, or at telephone number 425–553–8499. (Note: This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: VA is updating this system of records by modifying the System Name and Routine Uses of Records in the System. The System Name is being updated to Veteran Readiness and Employment (formerly known as Vocational Rehabilitation and Employment). Routine uses 75–81 and 83 were removed regarding VA’s Insurance business line. Those routine uses are included in the “Veterans and Uniformed Services Personnel Programs of U.S. Government Life Insurance—VA” (36VA29) Privacy Act System of Records. Categories of individuals covered by the system was updated to remove items 22–24, which is also addressed in the same system of records (36VA29). The Notification Procedure Section was updated to state ““Individuals who wish to be notified if a record in this system of records pertains to them should submit the request following the procedures described in “Record Access Procedures,” above.” Former routine uses 86–93 were removed since they are included in the “Beneficiary Fiduciary Field System (BFFS) VA (37VA27)” Privacy Act System of Records.

VA is adding new Routine Use 70 to authorize VA to disclose information from this system of records to the Department of Health and Human Services for the purpose of tracking Veteran employment for research purposes in accordance with Public Law 116–315, Section 4301.

The narrative statement and an advance copy of the proposed changes have been sent to the appropriate Congressional committees and to the Director of the Office of Management

and Budget (OMB) as required by 5 U.S.C. 552a(r) (Privacy Act) and guidelines issued by OMB (65 FR 77677), December 12, 2000.

Signing Authority

The Senior Agency Official for Privacy, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. Eddie Pool, Deputy Chief Information Officer, Connectivity and Collaboration Services, Performing the Delegable Duties of the Assistant Secretary for Information and Technology and Chief Information Officer, approved this document on July 11, 2025, for publication.

Dated: September 10, 2025

Saurav Devkota,

Government Information Specialist, VA Privacy Service, Office of Compliance, Risk and Remediation, Office of Information and Technology, Department of Veterans Affairs.

SYSTEM NAME AND NUMBER:

Compensation, Pension, Education, and Veteran Readiness and Employment Records—VA (58VA21/22/28).

SECURITY CLASSIFICATION:

This is an unclassified system.

SYSTEM LOCATION:

Records are maintained at VA regional offices; VA medical centers; the VA Records Management Center at St. Louis, Missouri; the Data Processing Center at Hines, Illinois; the Corporate Franchise Data Center in Austin, Texas; the Information Technology Center at Philadelphia, Pennsylvania; Terremark Worldwide, Inc.; Federal Hosting Facilities in Culpepper, Virginia and Miami, Florida; and in the VA Enterprise Cloud AWS GovCloud regions in Oregon and Ohio. Active educational assistance records are generally maintained at the regional processing office having jurisdiction over the educational institution, training establishment, or other entity where the claimant pursues or intends to pursue training.

The automated individual employee productivity records are temporarily maintained at the VA data processing facility serving the office in which the employee is located. Records provided to the Department of Housing and Urban Development (HUD) for inclusion on its Credit Alert Interactive Voice Response System (CAIVRS) are located at a data processing center under contract to HUD at Lanham, Maryland. Address locations of VA facilities are listed at:

https://www.va.gov/landing2_locations.htm.

SYSTEM MANAGER(S):

Executive Director, Compensation Service (21C), 810 Vermont Avenue NW, VA Central Office, Washington, DC 20420.

Executive Director, Pension and Fiduciary Service (21PF), 810 Vermont Avenue NW, VA Central Office, Washington, DC 20420.

Executive Director, Education Service (22), 810 Vermont Avenue NW, VA Central Office, Washington, DC 20420.

Executive Director, VR&E Service (28), 810 Vermont Avenue NW, VA Central Office, Washington, DC 20420.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

10 U.S.C. Ch. 106a, 510,1606 and 1607; 38 U.S.C. 501(a); 38 U.S.C. Ch. 3,11,13,15,18, 23, 30, 31, 32, 33, 34, 35, 36, 37, 39, 51, 53, 55 and 77; and 5 U.S.C. 5514.

PURPOSE(S) OF THE SYSTEM:

VA gathers or creates these records in order to enable it to administer statutory benefits programs to Veterans, Service members, and Reservists; and their spouses, surviving spouses, and dependents, who file claims for a wide variety of Federal Veteran's benefits administered by VA. See the statutory provisions cited in "Authority for maintenance of the system."

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

The following categories of individuals are covered by this system.

1. Veterans who have applied for compensation for service-connected disability under 38 U.S.C. Ch. 11.
2. Veterans who have applied for nonservice-connected disability under 38 U.S.C. Ch. 15.
3. Veterans entitled to burial benefits under 38 U.S.C. Ch. 23.
4. Surviving spouses and children who have claimed pension based on nonservice connected death of a Veteran under 38 U.S.C. Ch. 15.
5. Surviving spouses and children who have claimed death compensation based on service-connected death of a Veteran under 38 U.S.C. Ch. 11.
6. Surviving spouses and children who have claimed dependency and indemnity compensation for service-connected death of a Veteran under 38 U.S.C. Ch. 13.
7. Parents who have applied for death compensation based on service-connected death of a Veteran under 38 U.S.C. Ch. 11.
8. Parents who have applied for dependency and indemnity compensation for service connected

death of a Veteran under 38 U.S.C. Ch. 13.

9. Individuals who applied for educational assistance benefits administered by VA under title 38 U.S.C.

10. Individuals who applied for educational assistance benefits maintained by the Department of Defense (DoD) under title 10 U.S.C. that are administered by VA.

11. Veterans who apply for training and employers who apply for approval of their programs under the provisions of the Emergency Veterans' Job Training Act of 1983, Public Law 98-77.

12. Any VA employee who generates or finalizes adjudicative actions using the Benefits Delivery Network (BDN), the Veterans Service Network (VETSNET), or Veterans Benefit Management System (VBMS) computer processing systems.

13. Veterans who apply for training and employers who apply for approval of their programs under the provisions of the Service members Occupational Conversion and Training Act of 1992, Public Law 102-484.

14. Representatives of individuals covered by the system.

15. Fee personnel who may be paid by the VA or by someone other than the VA (e.g., appraisers, compliance inspectors, management brokers, loan closing, and fee attorneys who are not VA employees but are paid for actual case work performed).

16. Program participants (e.g., property management brokers and agents, real estate sales brokers and agents, participating lenders and their employees, title companies whose fees are paid by someone other than VA, and manufactured home dealers, manufacturers, and manufactured home park or subdivision owners).

17. Disabled Veterans who have applied for and received specially adapted housing assistance under 38 U.S.C. Ch. 21.

18. Veterans, their spouses or unmarried surviving spouses who have applied for and received VA housing credit assistance under title 38 U.S.C. Ch. 37.

19. Person(s) applying to purchase VA owned properties (vendee loans).

20. Transferee owners of properties encumbered by a VA-guaranteed, insured, direct or vendee loan (e.g., individuals who have assumed a VA-guaranteed loan and those who have purchased property directly from VA).

21. Individuals other than those previously identified who may have applied for loan guaranty benefits.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records include identifying information (*e.g.*, name, address, and social security number); military service and active duty separation information (*e.g.*, name, service number, date of birth, rank, sex, total amount of active service, branch of service, character of service, pay grade, assigned separation reason, service period, whether Veteran was discharged with a disability, reenlisted, received a Purple Heart or other military decoration); payment information (*e.g.*, Veteran payee name, address, dollar amount of readjustment service pay, amount of disability or pension payments, number of nonpay days, any amount of indebtedness (accounts receivable) arising from title 38 U.S.C. benefits and which are owed to the VA); medical information (*e.g.*, medical and dental treatment in the Armed Forces including type of service-connected disability, medical facilities, or medical or dental treatment by VA health care personnel or received from private hospitals and health care personnel relating to a claim for VA disability benefits or medical or dental treatment); personal information (*e.g.*, marital status, name and address of dependents, internet protocol addresses, occupation, amount of education of a Veteran or a dependent, dependent's relationship to Veteran); education benefit information (*e.g.*, information arising from utilization of training benefits such as a Veteran trainee's induction, reentrance or dismissal from a program or progress and attendance in an education or training program); applications for compensation, pension, education, and Veteran readiness benefits and training which may contain identifying information, military service, and active duty separation information, payment information, medical and dental information; personal and education benefit information relating to a Veteran or beneficiary's incarceration in a penal institution (*e.g.*, name of incarcerated Veteran or beneficiary, claims file number, name, and address of penal institution, date of commitment, type of offense, scheduled release date, Veteran's date of birth, beneficiary relationship to Veteran and whether Veteran or beneficiary is in a work release or half-way house program, on parole or has been released from incarceration); case notes from the e-VA application created from email and text message correspondence through the application; degree audits and copies of grades for Veterans and dependents enrolled in school; training records for Veterans and dependents participating

in training programs. The Filipino Loyalty file (the File) consists of correspondence, memoranda, reports, affidavits, depositions, press clippings, rosters, photographs, and other papers accumulated by post-WWII U.S. Army investigative and intelligence units. The File relates to anti-Japanese resistance activities in the Philippines, Filipino collaboration with the Japanese, wartime guerrilla activities, and instances of real or suspected Communist activities.

The VA employee's BDN, VETSNET or VBMS identification numbers, the number and kind of actions generated and/or finalized by each such employee, the compilation of cases returned for each employee.

Records (or information contained in records) may also include: applications for certificates of eligibility (these applications generally contain information from a Veteran's military service records except for character of discharge); applications for Federal Housing Administration Veterans' low-down payment loans (these applications generally contain information from a Veteran's military service records including whether or not a Veteran is in the service); applications for a guaranteed or direct loan, applications for release of liability, applications for substitutions of VA entitlement and applications for specially adapted housing (these applications generally contain information relating to employment, income, credit, personal data, *e.g.*, social security number, marital status, number and identity of dependents); assets and liabilities at financial institutions; profitability data concerning business of self-employed individuals; information relating to an individual Veteran's loan account and payment history on a VA-guaranteed, direct, or vendee loan on an acquired property; medical information when specially adapted housing is sought; and information regarding whether a Veteran owes a debt to the United States) and may be accompanied by other supporting documents which contain the above information; applications for the purchase of a VA acquired property (*e.g.*, vendee loans—these applications generally contain personal and business information on a prospective purchaser such as social security number, credit, income, employment history, payment history, business references, personal information and other financial obligations and may be accompanied by other supporting documents which contain the above information); loan instruments including deeds, notes, installment sales contracts, and

mortgages; property management information (*e.g.*, condition and value of property, inspection reports, notices of value, correspondence, and other information regarding the condition of the property (occupied, vandalized)), and a legal description of the property; information regarding VA loan servicing activities regarding default, repossession and foreclosure procedures, assumption of loans, payment of taxes and insurance, filing of judgments (liens) with state or local authorities and other related matters in connection with active and/or foreclosed loans; information regarding the status of a loan (*e.g.*, approved, pending or rejected by the VA); Applications by individuals to become VA-approved fee basis appraisers, compliance inspector, fee attorneys, or management brokers. These applications include information concerning applicant's name, address, business phone numbers, social security numbers or taxpayer identification number, and professional qualifications; applications by non-supervised lenders for approval to close guaranteed loans without the prior approval of VA (automatically); applications by lenders supervised by Federal or state agencies for designation as supervised automatic lenders in order that they may close loans without the prior approval (automatically) of VA; applications for automatic approval or designation contain information concerning the corporate structure of the lender, professional qualifications of the lender's officers or employees, financial data such as profit and loss statements and balance sheets to insure the firm's financial integrity; identifying information such as names, business names (if applicable), addresses, phone numbers, and professional resumes of corporate officials or employees; corporate structure information on prior approval lenders, participating real estate sales brokers or agents, developers, builders, investors, closing attorneys or other program participants as necessary to carry out the functions of the Loan Guaranty Program; records of performance concerning appraisers, compliance inspectors, management brokers, or fee attorneys on both firms and individual employees; records of performance including disciplinary proceedings, concerning program participants (*e.g.*, lenders, investors, real estate brokers, builders, fee appraisers, compliance inspectors and developers both as to the firm and to individual employees maintained on an as-needed basis to carry out the functions of the Loan Guaranty program); National Control Lists which identify suspended

real estate brokers and agents, lenders and their employees, investors, manufactured home dealers and manufacturers, and builders or developers; and a master record of the National Control List (e.g., Master Control List), which includes information regarding parties previously suspended but currently reinstated to participation in the Loan Guaranty program in addition to all parties currently suspended.

RECORD SOURCE CATEGORIES:

Veterans, Service members, and Reservists; spouses, surviving spouses, dependents, and other beneficiaries of the Veteran; accredited service organizations and other VA-approved representatives of the Veteran; VA-supervised fiduciaries (e.g., VA Federal fiduciaries); military service departments; VA medical facilities and physicians; private medical facilities and physicians; education and rehabilitation training establishments; state and local agencies; other Federal agencies including the DoD, Social Security Administration (SSA), and U.S. Department of the Treasury; state, local, and county courts and clerks; Federal, state, and local penal institutions and correctional facilities; other third parties and other VA records; Office of Servicemembers' Group Life Insurance; lending institutions holding a Veteran's or uniformed services member's mortgage; VA Loan Guaranty records; contractors remodeling or enlarging or adding construction to existing homes; relatives and other interested persons; Westlaw and InfoUSA); brokers and builder/sellers; credit and financial reporting agencies; an applicant's credit sources; depository institutions and employers; independent auditors and accountants; hazard insurance companies; taxing authorities; title companies; fee personnel; business and professional organizations; the general public; and other parties of interest involving VA-guaranteed, insured, vendee or direct loans or specially adapted housing.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES:

Note: To the extent that records contained in this system include information protected by 38 U.S.C. 7332, that information cannot be disclosed under a routine use unless there is also specific disclosure authority in that provision.

1. *Congress:* To a Member of Congress or staff acting upon the Member's behalf when the Member or staff requests the information on behalf of, and at the

request of, the individual who is the subject of the record.

2. *Data Breach Response and Remediation, for VA:* To appropriate agencies, entities, and persons when (a) VA suspects or has confirmed that there has been a breach of the system of records; (b) VA has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, VA (including its information systems, programs, and operations), the Federal Government, or national security; and (c) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with VA's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

3. *Data Breach Response and Remediation, for another Federal Agency:* To another Federal agency or Federal entity, when VA determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (a) responding to a suspected or confirmed breach or (b) 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.

4. *Law Enforcement:* To a Federal, state, local, territorial, tribal, or foreign law enforcement authority or other appropriate entity charged with the responsibility of investigating or prosecuting a violation or potential violation of law, whether civil, criminal, or regulatory in nature, or charged with enforcing or implementing such law, provided that the disclosure is limited to information that, either alone or in conjunction with other information, indicates such a violation or potential violation. A disclosure of information about Veterans or their dependents from VA claims files under this routine use must also comply with the requirements of 38 U.S.C. 5701(f).

5. *Department of Justice (DOJ), for Litigation, Administrative Proceeding:* To the DOJ, or in a proceeding before a court, adjudicative body, or other administrative body before which VA is authorized to appear, when any of the following is a party to such proceedings or has an interest in such proceedings, and VA determines that use of such records is relevant and necessary to the proceedings:

- (a) VA or any component thereof;
- (b) Any VA employee in his or her official capacity;

(c) Any VA employee in his or her individual capacity where DOJ has agreed to represent the employee; or

(d) The United States, where VA determines that litigation is likely to affect the agency or any of its components.

6. *Contractors:* To contractors, grantees, experts, consultants, students, and others performing or working on a contract, service, grant, cooperative agreement, or other assignment for VA, when reasonably necessary to accomplish an agency function related to the records.

7. *Office of Personnel Management (OPM):* To OPM in connection with the application or effect of civil service laws, rules, regulations, or OPM guidelines in particular situations.

8. *Equal Employment Opportunity Commission (EEOC):* To the EEOC in connection with investigations of alleged or possible discriminatory practices, examination of Federal affirmative employment programs, or other functions of the Commission as authorized by law.

9. *Federal Labor Relations Authority (FLRA):* To the FLRA in connection with the investigation and resolution of allegations of unfair labor practices, the resolution of exceptions to arbitration awards when a question of material fact is raised, matters before the Federal Service Impasses Panel, and the investigation of representation petitions and the conduct or supervision of representation elections.

10. *Merit Systems Protection Board (MSPB):* To the MSPB in connection with appeals, special studies of the civil service and other merit systems, review of rules and regulations, investigation of alleged or possible prohibited personnel practices, and such other functions promulgated in 5 U.S.C. 1205 and 1206, or as authorized by law.

11. *National Archives and Records Administration (NARA):* To NARA in records management inspections conducted under 44 U.S.C. 2904 and 2906, or other functions authorized by laws and policies governing NARA operations and VA records management responsibilities.

12. *Federal, State, Local Agencies, Hiring, Retention, Contract, Security Clearance, Grant, or Permit:* To a Federal, state, or local agency maintaining civil or criminal violation records, or other pertinent information such as prior employment history, prior

Federal employment background investigations, and/or personal or educational background in order for the VA to obtain information relevant to the hiring, transfer or retention of an employee, the letting of a contract, the

granting of a security clearance, or the issuance of a grant or other benefit. The names and home addresses of Veterans and their dependents may be disclosed to a Federal agency in order to respond to the VA inquiry.

13. *State or Local Agencies, for Employment:* To a state or local agency, upon official request, to the extent that it is relevant and necessary to that agency's decision on: the hiring, retention or transfer of an employee; the issuance of a security clearance; the letting of a contract; or the issuance or continuance of a license, grant or other benefit by that agency including eligibility for unemployment compensation; provided, that if the information pertains to a Veteran, the name and address of the Veteran will not be disclosed unless the name and address are provided first by the requesting state or local agency.

14. *Nonprofit Organizations:* To any nonprofit organization if the release is directly connected with the conduct of programs and the utilization of benefits under title 38 U.S.C. Disclosures may be in the form of a computerized list; releases may include the name, address, entitlement code (e.g., compensation or pension), period(s) of service, sex, and date(s) of discharge may be disclosed

15. *Federal Agencies, Title 38 Benefits:* To a Federal agency in order for VA to obtain information relevant to the issuance of a benefit under title 38 U.S.C.

16. *Consumer Reporting Agencies:* To a consumer reporting agency for the purpose of locating the individual, obtaining a consumer report to determine the ability of the individual to repay an indebtedness to the United States, or assisting in the collection of such indebtedness, provided that the provisions of 38 U.S.C. 5701(g)(2) and (4) have been met, provided that the disclosure is limited to information that is reasonably necessary to identify such individual or concerning that individual's indebtedness to the United States by virtue of the person's participation in a benefits program administered by the Department.

17. Any information in this system, including available identifying information regarding the debtor, such as name of debtor, last known address of debtor, VA insurance number, VA loan number, VA claim number, place of birth, date of birth of debtor, name and address of debtor's employer or firm and dates of employment may be disclosed, under this routine use, except to consumer reporting agencies, to a third party in order to obtain current name, address, locator, and credit report in connection with any proceeding for

the collection of an amount owed to the United States by virtue of a person's participation in any VA benefit program when in the judgment of the Secretary such disclosure is deemed necessary and proper. This purpose is consistent with the Federal Claims Collection Act of 1966 (Pub. L. 89-508, 31 U.S.C. 951-953, and 4 CFR parts 101-105 and 38 U.S.C. 5701(b)(6)).

18. Any information in this system, including the nature and amount of a financial obligation, may be disclosed to a debtor's employing agency or commanding officer so that the debtor-employee may be counseled by his or her Federal employer or commanding officer and to assist in the collection of unpaid financial obligations owed VA.

19. Payment information may be disclosed to the Department of the Treasury, in accordance with its official request, to permit delivery of benefit payments to Veterans or other beneficiaries.

20. Medical information may be disclosed in response to a request from the superintendent of a state hospital for psychotic patients, a commissioner or head of a state department of mental hygiene, or a head of a state, county or city health department or any fee basis physician or sharing institution in direct connection with authorized treatment for a Veteran, provided the name of the individual to whom the record pertains is given and the information will be treated as confidential, as is customary in civilian professional medical practice.

21. The name, address, VA file number, effective date of compensation or pension, current and historical benefit pay amounts for compensation or pension, service information, date of birth, competency payment status, incarceration status, and social security number of Veterans and their surviving spouses may be disclosed to the following agencies upon their official request: DoD; Defense Manpower Data Center; Marine Corps; Department of Homeland Security; Coast Guard; Public Health Service; National Oceanic and Atmospheric Administration and Commissioned Officer Corps in order for these departments and agencies and VA to reconcile the amount and/or waiver of service, department, and retired pay. These records may also be disclosed as a part of an ongoing computer-matching program to accomplish these purposes. This purpose is consistent with 10 U.S.C. 12316, 38 U.S.C. 5304, and 38 U.S.C. 5701.

22. The amount of pension, compensation, dependency and indemnity compensation, educational

assistance allowance, retirement pay, and subsistence allowance of any individual identified to VA may be disclosed to any person who applies for such information as authorized by 38 U.S.C. 5701(c)(1).

23. Identifying, personal, payment, and medical information may be disclosed to a Federal, state, or local government agency at the request of a Veteran in order to assist the Veteran and ensure that all of the title 38 U.S.C. or other benefits to which the Veteran is entitled are received. This information may also be disclosed upon the request from a Federal agency, or to a state or local agency, provided the name and address of the Veteran is given beforehand by the requesting agency, in order to assist the Veteran in obtaining a non-title 38 U.S.C. benefit to which the Veteran is entitled. These records may also be disclosed as part of an ongoing computer-matching program to accomplish this purpose.

24. Any information in this system, which directly affects payment or potential payment of benefits to contesting claimants, including parties claiming an apportioned share of benefits, may be coequally disclosed to each affected claimant upon request from that claimant in conjunction with the claim for benefits sought or received.

25. Any information in this system, such as identifying information, nature of a claim, amount of benefit payments, percentage of disability, income, and medical expense information maintained by VA which is used to determine the amount payable to recipients of VA income-dependent benefits and personal information, may be disclosed to the SSA, upon its official request, in order for that agency to determine eligibility regarding amounts of social security benefits, or to verify other information with respect thereto. These records may also be disclosed as part of an ongoing computer-matching program to accomplish this purpose.

26. VA may disclose an individual's identifying information to an educational institution, training establishment, or other entity which administers programs approved for VA educational assistance in order to assist the individual in completing claims forms, to obtain information necessary to adjudicate the individual's claim, or to monitor the progress of the individual who is pursuing or intends to pursue training at the request of the appropriate institution, training establishment, or other entity administering approved VA educational programs or at the request of the Veteran.

27. VA may disclose information from this system, except the names and home addresses of Veterans and their dependents (unless name and address is furnished by the requester), for research purposes determined to be necessary and proper to epidemiological and other research facilities approved by the Under Secretary for Health.

28. *Federal Agencies, for Research:* To a Federal agency for the purpose of conducting research and data analysis to perform a statutory purpose of that Federal agency upon the written request of that agency.

29. *Claims Representatives, for Title 38 Benefits:* To accredited service organizations, VA-approved claim agents, and attorneys acting under a declaration of representation, upon request, so that these individuals can aid claimants in the preparation, presentation, and prosecution of claims under the laws administered by VA, provided that the disclosure is limited to information relevant to a claim, such as the name, address, the basis and nature of a claim, amount of benefit payment information, medical information, and military service and active duty separation information.

30. Identifying and payment information may be disclosed, upon the request of a Federal agency, to a state or local government agency, to determine a beneficiary's eligibility under programs provided for under Federal legislation and for which the requesting Federal agency has responsibility. These records may also be disclosed as a part of an ongoing computer-matching program to accomplish these purposes. This purpose is consistent with 38 U.S.C. 5701.

31. *Guardians, Courts, for Incompetent Veterans:* To a court, magistrate, or administrative tribunal in matters of guardianship, inquests, and commitments; to private attorneys representing Veterans rated incompetent in conjunction with issuance of Certificates of Incompetency; or to probation and parole officers in connection with court-required duties.

32. *Guardians Ad Litem, for Representation:* To a fiduciary or guardian ad litem in relation to their representation of a claimant in any legal proceeding as relevant and necessary to fulfill the duties of the fiduciary or guardian ad litem.

33. *Federal Agencies, Courts, Litigants, for Litigation or Administrative Proceedings:* To another Federal agency, court, or party engaged in or in anticipation of litigation before a court or in an administrative proceeding conducted by a Federal agency, when the Government is a party

to the judicial or administrative proceeding.

34. Any information in this system including the name, social security number, date of birth, delimiting date, and remaining entitlement of VA educational benefits, may be disclosed to the Department of Education (ED) upon its official request, or contractor thereof, for specific use by the ED to validate information regarding entitlement to VA benefits that is submitted by applicants who request educational assistance grants from the ED. The ED or contractor thereof will not use such information for any other purpose. These records may also be disclosed as part of an ongoing computer-matching program to accomplish this purpose.

35. VA may, at the request of the individual, disclose identifying information of an individual who is pursuing or intends to pursue training at an educational institution, training establishment, or other entity which administers programs approved for VA educational assistance in order for the VA to obtain sufficient information necessary to pay that individual or the educational or training establishment the correct monetary amounts in an expeditious manner. However, information will not be provided under this routine use to an educational institution, training establishment, or other entity when the request is clearly an attempt by that establishment to seek assistance in collection attempts against the individual.

36. Identifying information and information regarding the induction, reentrance, and dismissal of a disabled Veteran from a Veteran readiness program may be disclosed at the request of the Veteran to a VA-approved Veteran readiness training establishment to ensure that the trainee receives the maximum benefit from training.

37. Identifying information and information regarding the extent and nature of a Veteran's disabilities with respect to any limitations to be imposed on the Veteran's vocational programs may be disclosed at the request of the Veteran to a VA-approved Veteran readiness training establishment to ensure that the trainee receives the maximum benefit from training.

38. Information regarding the type and amount of training/education received, and the name and address of a Veteran, may be disclosed at the request of a Veteran to local and State agencies and to prospective employers in order to assist the Veteran in obtaining employment or further training.

39. The name, claims file number, and any other information relating to a Veteran's or beneficiary's incarceration in a penal institution and information regarding a dependent's right to a special apportionment of the incarcerated individual's VA benefit payment may be disclosed to those dependents who may be eligible for entitlement to such apportionment in accordance with 38 U.S.C. 5313 and 5307.

40. The name, claims file number, and any other information relating to an individual who may be incarcerated in a penal institution may, pursuant to an arrangement, be disclosed to penal institutions or to correctional authorities in order to verify information concerning the individual's incarceration status. The disclosure of this information is necessary to determine that individual's continuing eligibility as authorized under 38 U.S.C. 5313, 5307. These records may also be disclosed as part of an ongoing computer-matching program to accomplish this purpose.

41. Identifying information, except for the name and address of a Veteran, may be disclosed to a state agency for the purpose of conducting a computer match to determine if income and employment data are being properly reported to VA and to detect the unwarranted payment of benefits under title 38 U.S.C.

42. Identifying, disability, and award (type, amount and reasons for award) information may be released to the Department of Labor (DOL) in order for the DOL to conduct a computer matching program against the Office of Workers' Compensation Programs Federal Employees Compensation File, DOL/ESA-13, published in 46 FR 12357 on February 13, 1981. This match will permit the DOL to verify a person's eligibility for DOL payments as well as to detect situations where recipients may be erroneously receiving concurrent multiple payments from the DOL and VA, to identify areas where legislative and regulatory amendments directed toward preventing overpayments are needed, and to collect debts owed to the United States Government. This matching program is performed pursuant to the DOL Inspector General's authority under Public Law 95-452, section 4(a) to detect and prevent fraud and abuse. This disclosure is consistent with 38 U.S.C. 5701(b)(3).

43. *Treasury, to Report Waived Debt as Income:* To the Department of the Treasury as a report of income under 26 U.S.C. 61(a)(12), provided that the disclosure is limited to information

concerning an individual's indebtedness that is waived under 38 U.S.C. 3102, compromised under 4 CFR part 103, otherwise forgiven, or for which the applicable statute of limitations for enforcing collection has expired.

44. *Federal, State, County, or Municipal Agencies, for Computer Matches:* To a Federal, state, county, or municipal agency for the purpose of conducting computer matches to obtain information to validate the entitlement of an individual, who is receiving or has received Veterans' benefits under title 10 or title 38 U.S.C.

45. Identifying information, including the initials and abbreviated surname, the social security number, the date of birth, and coding indicating the category of the individual's records, the degree of disability, the benefit program under which benefits are being paid and the computed amount of VA benefits for a calendar year may be released to the Department of the Treasury, and Internal Revenue Service (IRS), in order for IRS to conduct a computer matching program against IRS Forms 1040, Schedule R, Credit for the Elderly and the Permanently and Totally Disabled. This match will permit IRS to determine the eligibility for and the proper amount of Elderly and Disabled Credits claimed on IRS Form 1040, Schedule R. This matching program is performed pursuant to the provisions of Internal Revenue Code Section 7602.

46. Identifying information, such as name, social security number, VA claim number, date and place of birth, etc., in this system may be disclosed to an employer or school having information relevant to a claim in order to obtain information from the employer or school to the extent necessary to determine that eligibility for VA compensation or pension benefits continues to exist or to verify that there has been an overpayment of VA compensation or pension benefits. Any information in this system also may be disclosed to any of the above-entitled individuals or entities as part of ongoing computer matching programs to accomplish these purposes.

47. *Treasury, for Withholding:* To the Department of the Treasury for the collection of title 38 benefit overpayments, overdue indebtedness, or costs of services provided to an individual not entitled to such services, by the withholding of all or a portion of the person's Federal income tax refund, provided that the disclosure is limited to information concerning an individual's indebtedness by virtue of a person's participation in a benefits program administered by VA.

48. Veterans' addresses which are contained in this system of records may be disclosed to the Defense Manpower Data Center, upon its official request, for military recruiting command needs, DoD civilian personnel offices' mobilization studies and mobilization information, debt collection, and Individual Ready Reserve Units' locator services.

49. The name, address, VA file number, date of birth, date of death, social security number, and service information may be disclosed to the Defense Manpower Data Center. DoD will use this information to identify retired Veterans and dependent members of their families who have entitlement to DoD benefits but who are not identified in the Defense Enrollment Eligibility Reporting System program and to assist in determining eligibility for Civilian Health and Medical Program of the Uniformed Services benefits. This purpose is consistent with 38 U.S.C. 5701. These records may also be disclosed as part of an ongoing computer-matching program to accomplish this purpose.

50. The name, address, VA file number, social security number, sex of Veteran, date(s) of birth of the Veteran and dependents, current benefit pay amounts for compensation or pension, pay status, check amount, aid and attendance status, Veteran and spouse annual income amounts, and type and combined degree of disability will be disclosed to the Department of Health and Human Services. The SSA will use the data in the administration of the Supplemental Security Income payment system as prescribed by Public Law 92-603. These records may also be disclosed as part of an ongoing computer-matching program to accomplish these purposes. This purpose is consistent with 38 U.S.C. 5701.

51. The names and current addresses of VA beneficiaries who are identified by finance centers of individual uniformed services of DoD and the Department of Homeland Security (Coast Guard) as responsible for the payment of Survivor Benefit Plan (SBP) premium payments to be released from this system of records to them upon their official written request for such information for their use in attempting to recover amounts owed for SBP premium payments.

52. This routine use authorizes VA to compile lists of the social security numbers and loan account numbers of all persons with VA-guaranteed and portfolio loans in default, or VA loans on which there has been a foreclosure and the Department paid a claim, and

provide these records to HUD for inclusion in its CAIVRS. Information included in this system may be disclosed to all participating agencies and lenders who participate in the agencies' programs to enable them to verify information provided by new loan applicants and evaluate the creditworthiness of applicants. These records may also be disclosed as part of an ongoing computer-matching program to accomplish these purposes.

53. *SSA, for Social Security Number Validation:* VA may disclose names and social security numbers of Veterans, spouses of Veterans, and the beneficiaries of Veterans, and other identifying information as is reasonably necessary may be disclosed to SSA, Department of Health and Human Services, for the purpose of conducting computer matches to obtain information to validate the social security numbers maintained in VA records. This information may also be disclosed as part of a computer matching agreement to accomplish this purpose.

54. Any information contained in the files of Veterans whose claims were referred to VA Central Office for an advisory opinion concerning their claims that their disabilities were incurred secondary to occupational radiation exposure may be disclosed to the Department of the Navy (DON). The information to be furnished to DON would include the medical opinions, dose estimates, advisory opinions, and rating decisions including Veterans' names, addresses, VA claim numbers, social security numbers, and medical information. The requested information may be disclosed to DON upon receipt of its official written request for such information for its use in the review and assessment of its occupational radiation exposure controls and training.

55. A Veteran's claims file number and folder location may be disclosed to a court of proper jurisdiction that has issued a garnishment order for that Veteran under 42 U.S.C. 659 through 660.

56. An individual's identifying and payment information may be disclosed to the educational institution, training establishment, or other entity the individual attends (or attended) if that individual received educational assistance from VA based on training at that educational institution, training establishment, or entity. VA will disclose this information to assist the educational institution, training establishment, or other entity in verifying the individual's receipt of VA educational assistance and to assist the individual in applying for additional financial aid (e.g., student loans).

57. The name and address of a prospective, present, or former accredited representative, claims agent or attorney, and any information concerning such individual which is relevant to a refusal to grant access privileges to automated Veterans' claims records, or a potential or past suspension or termination of such access privileges may be disclosed to the entity employing the individual to represent Veterans on claims for Veterans benefits.

58. The name and address of a former accredited representative, claim agent or attorney, and any information concerning such individual, except a Veteran's name and home address, which is relevant to a revocation of such access privileges may be disclosed to an appropriate governmental licensing organization where VA determines that the individual's conduct that resulted in revocation merits reporting.

59. A record from this system (other than the address of the beneficiary) may be disclosed to a former representative of a beneficiary to the extent necessary to develop and adjudicate a claim for payment of attorney fees to such representative from past-due benefits under 38 U.S.C. 5904(d) and Public Law 109-461 or to review a fee agreement between such representative and the beneficiary for reasonableness under 38 U.S.C. 5904(c)(2) and Public Law 109-461.

60. Disclosure of tax returns and return information received from the IRS may be made only as provided by 26 U.S.C. 6103 (an IRS confidentiality statute) also covering any IRS tax return information provided as part of an ongoing computer matching program.

61. Where VA determines that there is good cause to question the legality or ethical propriety of the conduct of a person or organization representing a person in a matter before VA, a record from this system may be disclosed, on VA's initiative, to any or all of the following: (1) applicable civil or criminal law enforcement authorities and (2) a person or entity responsible for the licensing, supervision, or professional discipline of the person or organization acting as a representative.

62. The name and address of a beneficiary, and other information as is reasonably necessary to identify such a beneficiary, who has been adjudicated as incompetent under 38 CFR 3.353, may be provided to the Attorney General of the United States or his/her designee, for use by the DOJ in the National Instant Criminal Background Check System mandated by the Brady Handgun Violence Prevention Act, Public Law 103-159.

63. Disclosure to other Federal agencies may be made to assist such agencies in preventing and detecting possible fraud, waste, overpayment, or abuse by individuals in their operations and programs as well as identifying areas where legislative and regulatory amendments directed toward preventing overpayments. These records may also be disclosed as part of an ongoing computer-matching program to accomplish this purpose.

64. VA may disclose information to other Federal Agencies including, but not limited to, identifying information, payment information, and vocational objectives about a Veteran or Service member who is receiving or has received benefits under the Veteran Readiness program to be used in data analysis and development of performance measures.

65. Any information contained in this system may be disclosed by VA, as deemed necessary, to DoD for use for determinations required by DoD. VA will routinely use the information to conduct medical evaluations needed to produce VA disability ratings and to promulgate subsequent claims for benefits under title 38 U.S.C.

66. Information in this system (excluding date of birth, social security number, and address) relating to the use of transferred educational assistance benefits may be coequally disclosed to the transferor, (e.g., the individual from whom eligibility was derived) and to each transferee (e.g., the individual receiving the transferred benefit). The information disclosed is limited to the two parties in each transferor-transferee relationship, as the transferor may have multiple transferred relationships.

67. Any information in this system of records may be disclosed, in the course of presenting evidence in or to a court, magistrate, administrative tribunal, or grand jury, including disclosures to opposing counsel in the course of such proceedings or in settlement negotiations.

68. *Phone Operators, for the Hearing-Impaired:* VA may disclose information from this system of records to telephone company operators acting in a capacity to facilitate phone calls to or for hearing-impaired individuals, such as Veterans or authorized agents, using telephone devices for the hearing-impaired, including Telecommunications Devices for the Deaf or Text Telephones.

69. Any information in this system, including name, address, social security number, VA file number, medical records, financial records, and field examination reports of a VA beneficiary, and the name, address, and information

regarding the activities of a VA-appointed fiduciary or beneficiary may be disclosed at the request of a VA beneficiary or fiduciary to a Federal, state, or local agency in order for VA to obtain information relevant to a VA decision concerning the payment and usage of funds payable by VA on behalf of a beneficiary, or to enable VA to assist a beneficiary or VA-appointed fiduciary in obtaining the maximum amount of benefits for a VA beneficiary from a Federal, state, or local agency.

70. VA may disclose Veteran identifying information, to include only the identifiers of name, address, and social security number, to the Department of Health and Human Services, Administration of Children and Families' Office of Child Support and Enforcement, to be used to obtain new hire information from the National Directory of New Hires for the purpose of tracking the employment of Veterans pursuant to Section 453A(h) of the Social Security Act (42 U.S.C. 653a(h)).

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

Compensation and Pension-related claims, records (or information contained in records) are 100% digitized and stored in the VBMS electronic folder (VBMS eFolder). All paper documents VA receives pursuant to a Compensation or Pension claim are converted to a digital image via VA's electronic imaging process and uploaded into the VBMS eFolder.

VR&E claims are maintained on paper, electronic folders, and on automated storage media (e.g., microfilm, microfiche, magnetic tape, and disks). Texts and emails from the Veterans pursuant to a VR&E claim are stored in the Corporate Database as a Corporate WINRS Case Note, which becomes the official record. Any texts and emails stored in the cloud/contractor server are considered duplicate copies.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

Records, whether paper or electronic, are retrieved by name of the individual and VA file number. Automated records are retrieved by name, VA file number, payee name, and type of benefit. Employee productivity records are retrieved by employee BDN identification number. Records in CAIVRS may only be retrieved by social security number.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

Compensation and Pension claims records are retained indefinitely. Claim file folders for Compensation and

Pension claims are electronically imaged and uploaded into the VBMS eFolder. Once a file is electronically imaged and established by VA as the official record, its paper contents (with the exception of documents that are on hold due to pending litigation, and service treatment records and other documents that are the property of DoD) are reclassified as duplicate—non record keeping—copies of the official record, and will be destroyed in accordance with the schedule approved by the Archivist of the United States, Records Control Schedule (RCS) VB–1, Part 1, Field, Section XIII, Item 13–052.100. Decisions to destroy VR&E paper counseling records are to be made in accordance with the schedule approved by the Archivist of the United States RCS VB–1, Part I, Field in Section VII.

VR&E paper counseling records utilized as temporary working information are retained until a claim for educational benefits is decided. Once records are digitized and verified as wholly available in VBMS, destruction of paper copies shall occur in accordance with VBA RCS VB–1, Part I, Field, dated January 31, 2014. Education file folders in paper format shall be destroyed in accordance with VBA Records Control Schedule VB–1, Part I, dated January 31, 2014.

Education file folders in paper are retained at the servicing Regional Processing Office. Education paper folders may be destroyed in accordance with the schedule approved by the Archivist of the United States, RCS VB–1, Part 1, Field, Section VII.

Employee productivity records are maintained for four years or longer if required for business use in accordance with the schedule approved by the Archivist of the United States, RCS VB–1, Part 1, Field, Item 05–070.000.

File information for CAIVRS is provided to HUD by VA on magnetic tape. After information from the tapes has been read into the computer the tapes are returned to VA for updating. HUD does not keep separate copies of the tapes.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

1. Physical Security:

(a) Access to working spaces and claims folder file storage areas in VA regional offices and centers is restricted to VA employees on a need-to-know basis. Generally, file areas are locked after normal duty hours and the offices and centers are protected from outside access by the Federal Protective Service or other security personnel. Employee claims file records and claims file

records of public figures are stored in separate locked files. Strict control measures are enforced to ensure that access to and disclosure from these claims file records are limited to a need-to-know basis. Duplicate paper copies after imaging are stored in NARA-compliant facilities, pending destruction.

(b) Access to BDN, Legacy Content Manager (LCM), Corporate WINRS (Waco, Texas, Indianapolis, Indiana, Newark, New Jersey, Roanoke, Virginia, and Seattle, Washington), VETSNET, and VBMS data telecommunication networks are by authorization controlled by the site security officer who is responsible for authorizing access to the BDN, LCM, VBMS, and VETSNET by a claimant's representative or attorney approved for access in accordance with VA regulations. The site security officer is responsible for ensuring that the hardware, software, and security practices of a representative or attorney satisfy VA security requirements before granting access. The security requirements applicable to the access of automated claims files by VA employees also apply to the access of automated claims files by claimants' representatives or attorneys. The security officer is assigned responsibility for privacy-security measures, especially for review of violation logs, information logs, and control of password distribution, including password distribution for claimants' representatives.

(c) Access to data processing centers is generally restricted to center employees, custodial personnel, Federal Protective Service, and other security personnel. Access to computer rooms is restricted to authorized operational personnel through electronic locking devices. All other persons provided access to computer rooms are escorted.

(d) Employee production records are identified by the confidential BDN and VETSNET employee identification number and are protected by management/supervisory personnel from unauthorized disclosure in the same manner as other confidential records maintained by supervisors.

2. BDN, LCM, VETSNET, e-VA, and VBMS System Security:

(a) Usage of the BDN, LCM, Corporate WINRS, VETSNET, e-VA, and VBMS systems is protected by the usage of "login" identification passwords and authorized function passwords. The passwords are changed periodically. These same protections apply to remote access users.

(b) At the data processing centers, identification of magnetic tapes and disks containing data is rigidly enforced

using labeling techniques. Automated storage media, which are not in use, are stored in tape libraries, which are secured in locked rooms. Access to programs is controlled at three levels: programming, auditing and operations. Access to the data processing centers where HUD maintains CAIVRS is generally restricted to center employees and authorized subcontractors. Access to computer rooms is restricted to center employees and authorized operational personnel through electronic locking devices. All other persons granted access to computer rooms are escorted. Files in CAIVRS use social security numbers as identifiers. Access to information files is restricted to authorized employees of participating agencies and authorized employees of lenders who participate in the agencies' programs. Access is controlled by agency distribution of passwords. Information in the system may be accessed by use of a touch-tone telephone by authorized agency and lender employees on a "need-to-know" basis.

3. e-VA System Security:

A unique SSL certificate has been generated for this connection that provides authentication for the e-VA applications, which enables an encrypted connection. Short Message Service (SMS) text messages are processed using a secure SMS gateway hosted by Twilio. The client's first and last name (the only personally identifiable information in the text message) are encrypted when the information is passed back and forth. Emails are processed by Amazon Web Services Simple Email Service using Transport Layer Security protocol, which is a cryptographic protocol designed to provide communications security over a computer network. All emails to participants are sent from a single email address (*eva@eva.va.gov*).

RECORD ACCESS PROCEDURES:

Individuals seeking information on the existence and content of records in this system pertaining to them should contact the system manager in writing as indicated above. A request for access to records must contain the requester's full name, address, telephone number, be signed by the requester, and describe the records sought in sufficient detail to enable VA personnel to locate them with a reasonable amount of effort.

Note: Remote on-line access is also made available at authorized remote sites, for representatives of claimants and to attorneys of record for claimants. A VA claimant must execute a prior written consent or a power of attorney authorizing access to his or her claims

records before VA will allow the representative or attorney to have access to the claimant's automated claims records. Access by representatives and attorneys of record is to be used solely for the purpose of assisting an individual claimant whose records are accessed in a claim for benefits administered by VA. Information relating to receivable accounts owed to VA.

CONTESTING RECORD PROCEDURES:

Individuals seeking to contest or amend records in this system pertaining to them should contact the system manager in writing as indicated above. A request to contest or amend records must state clearly and concisely what record is being contested, the reasons for contesting it, and the proposed amendment to the record.

NOTIFICATION PROCEDURES:

Individuals who wish to be notified if a record in this system of records pertains to them should submit the request following the procedures described in "Record Access Procedures," above.

EXEMPTIONS PROMULGATED FOR THE SYSTEM:

None.

HISTORY:

Originally published on March 3, 1976; most recent amendments can be found at: 74 FR 29275 (June 19, 2009); 75 FR 22187 (April 27, 2010); 77 FR 42594 (July 19, 2012); 84 FR 4138, (February 14, 2019); and 86 FR 61858 (November 8, 2021).

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BILLING CODE 8320-01-P

DEPARTMENT OF VETERANS AFFAIRS

Privacy Act of 1974; System of Records

AGENCY: Department of Veterans Affairs (VA), Veterans Health Administration (VHA).

ACTION: Notice of a Modified System of Records.

SUMMARY: Pursuant to the Privacy Act of 1974, notice is hereby given that the VA is modifying the system of records titled Veterans and Beneficiaries Purchased Care Community Health Care Claims, Correspondence, Eligibility, Inquiry and Payment Files—VA (54VA10NB3). This system is used for establishing and monitoring eligibility to receive VA benefits, processing claims for medical care and services, and processing stipends. This system also has a

database that uses accumulator calculation and makes transactions using the Payer Electronic Data Interchange Transaction Application System to process claims for medical care and services and payments.

DATES: Comments on this modified system of records must be received no later than 30 days after the Date of Publication in the **Federal Register**. If no public comment is received during the period allowed for comment or unless otherwise published in the **Federal Register** by VA, the modified system of records will become effective a minimum of 30 days after date of publication in the **Federal Register**. If VA receives public comments, VA shall review the comments to determine whether any changes to the notice are necessary.

ADDRESSES: Comments may be submitted through <https://www.regulations.gov/> or mailed to VA Privacy Service, 810 Vermont Avenue NW, (005X6F), Washington, DC 20420. Comments should indicate that they are submitted in response to "Veterans and Beneficiaries Purchased Care Community Health Care Claims, Correspondence, Eligibility, Inquiry and Payment Files—VA" (54VA10NB3). Comments received will be available at [regulations.gov](https://www.regulations.gov/) for public viewing, inspection, or copies.

FOR FURTHER INFORMATION CONTACT: Stephania Griffin, VHA Chief Privacy Officer, 810 Vermont Avenue NW, (10DH03A), Washington, DC 20420, Stephania.Griffin@va.gov. The telephone number is 704-245-2492 (Note: This is not a toll-free number).

SUPPLEMENTARY INFORMATION: VA is modifying this system of records by revising the following sections: system number; system location; system manager; purpose of the system; categories of individuals covered by the system; categories of records in the system; record source categories; routine uses of records maintained in the system; policies and practices for storage of records; policies and practices for retrieval of records; administrative, technical and physical safeguards; record access procedure; contesting records procedures; and notification procedure. VA is republishing the system notice in its entirety.

The system number is being updated from 54VA10NB3 to 54VA10 to reflect the current VHA organizational routing symbol.

The system location is being updated due to an organizational realignment of VHA offices from the Chief Business Office, Purchased Care Office (CBOPC), 3773 Cherry Creek North Drive, Denver,

Colorado 80209, to the Office of Integrated Veteran Care (OIVC), 3773 Cherry Creek North Drive, Denver, Colorado 80209. The records are also located at the VA Enterprise Cloud Data Centers/Amazon Web Services, 1915 Terry Avenue, Seattle, WA 98101.

The System Manager has changed from, "Chief Business Officer (10NB), VA Central Office, 810 Vermont Avenue NW, Washington, DC 20420. Official Maintaining the System: Deputy Chief Business Officer Purchased Care, Department of Veterans Affairs, P.O. Box 469060, Denver, CO 80246-9060" to "Chief Payer, VHAOIVCPMDPayerEDI@va.gov. OIVC, 3773 Cherry Creek North Drive, Denver, Colorado 80209".

The purpose is being updated to include, "This system also has a database that uses accumulator calculation and makes transactions using the Payer Electronic Data Interchange Transaction Application System to process claims for medical care, services, and payments."

The categories of individuals covered by system number 1 is being amended to include beneficiaries, the Maintaining Internal Systems and Strengthening Integrated Outside Networks (MISSION) Act, and the Honoring our Promise to Address Comprehensive Toxics (PACT) Act. Number 4 is being amended to include MISSION Act, and PACT Act.

The categories of records in the system are being amended to include beneficiaries.

The record source categories is being amended to include beneficiaries and health care providers.

The following routine uses were updated:

The language in routine use at number 2 has been updated. Previously, it read, "Statistical and other data to Federal, state, and local Government agencies and national health organizations to assist in the development of programs that will be beneficial to health care recipients, to protect their rights under the law, and to ensure that they are receiving all health benefits to which they are entitled." Routine use number 2 will now read as, "Governmental Agencies, Health Organizations, for Claimants' Benefits: To Federal, state, and local government agencies and national health organizations as reasonably necessary to assist in the development of programs that will be beneficial to claimants, to protect their rights under law, and assure that they are receiving all benefits to which they are entitled."

The language in routine use number 3 has been updated. Previously, it read, "VA may disclose on its own initiative

any information in this system, except the names and home addresses of Veterans and their family members or caregivers which is relevant to a suspected or reasonably imminent violation of law, whether civil, criminal or regulatory in nature, and whether arising by general or program statute or by regulation, rule or order issued pursuant thereto, to a Federal, state, local, tribal, or foreign agency charged with the responsibility of investigating or prosecuting such violation, or charged with enforcing or implementing the statute, regulation, rule or order. On its own initiative, VA may also disclose the names and addresses of Veterans, their family members or caregivers to a federal agency charged with the responsibility of investigating or prosecuting civil, criminal or regulatory violations of law, or charged with enforcing or implementing the statute, regulation, rule, or order issued pursuant thereto." Routine use number 3 will now read as, "Law Enforcement: To a Federal, state, local, territorial, tribal, or foreign law enforcement authority or other appropriate entity charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing such law, provided that the disclosure is limited to information that, either alone or in conjunction with other information, indicates a violation or potential violation of law, whether civil, criminal, or regulatory in nature. The disclosure of the names and addresses of Veterans and their dependents from VA records under this routine use must also comply with the provisions of 38 U.S.C. 5701."

The language in routine use number 8 has been updated. Previously, it read, "Any information in this system of records may be disclosed to the United States Department of Justice or United States Attorneys in order to prosecute or defend litigation involving or pertaining to the United States, or in which the United States has an interest." Routine use number 8 will now read as, "The Department of Justice (DoJ), Litigation, Administrative Proceeding: To DoJ, or in a proceeding before a court, adjudicative body, or other administrative body before which VA is authorized to appear, when any of the following is a party to such proceedings or has an interest in such proceedings, and VA determines that use of such records is relevant and necessary to the proceedings:

(a) VA or any component thereof;

(b) Any VA employee in his or her official capacity;

(c) Any VA employee in his or her individual capacity where DoJ has agreed to represent the employee; or

(d) The United States, where VA determines that litigation is likely to affect the agency or any of its components.

Routine uses number 13 and number 14 are duplicates. Routine use number 14 will now state, "Federal Labor Relations Authority (FLRA): To the FLRA in connection with the investigation and resolution of allegations of unfair labor practices, the resolution of exceptions to arbitration awards when a question of material fact is raised, matters before the Federal Service Impasses Panel, and the investigation of representation petitions and the conduct or supervision of representation elections."

The language in routine use number 16 has been updated. Previously, it read, "The name and address of a Veteran, family member, or caregiver may be disclosed to another Federal agency or to a contractor of that agency, at the written request of the head of that agency or designee of the head of that agency, for the purpose of conducting government research necessary to accomplish a statutory purpose of that agency." Routine use number 16 will now read as, "Federal Agencies, for Research: To a Federal agency for the purpose of conducting research and data analysis to perform a statutory purpose of that Federal agency upon the written request of that agency."

The language in Routine use number 23 has been updated. Previously, it read, "Relevant information from this system of records may be disclosed to individuals, organizations, private or public agencies, etc., with whom VA has a contract or agreement to perform such services as VA may deem practicable for the purposes of laws administered by VA in order for the contractor or subcontractor to perform the services of the contract or agreement." Routine use number 23 will now read as, "Contractors: To contractors, grantees, experts, consultants, students, and others performing or working on a contract, service, grant, cooperative agreement, or other assignment for VA, when reasonably necessary to accomplish an agency function related to the records."

The language in routine use number 27 has been updated. Previously, it read, "VA may, on its own initiative, disclose any information or records to appropriate agencies, entities, and persons when (1) VA suspects or has confirmed that the integrity or confidentiality of information in the system of records has been

compromised; (2) the Department has determined that as a result of the suspected or confirmed compromise, there is a risk of embarrassment or harm to the reputations of the record subjects, harm to economic or property interests, identity theft or fraud, or harm to the security, confidentiality, or integrity of this system or other systems or programs (whether maintained by the Department or another agency or entity) that rely upon the potentially compromised information; and (3) the disclosure is to agencies, entities, or persons whom VA determines are reasonably necessary to assist or carry out the Department's efforts to respond to the suspected or confirmed compromise and prevent, minimize, or remedy such harm. This routine use permits disclosures by the Department to respond to a suspected or confirmed data breach, including the conduct of any risk analysis or provision of credit protection services as provided in 38 U.S.C. 5724, as the terms are defined in 38 U.S.C. 5727." Routine use number 27 will now read as, "Data breach response and remediation, for VA: To appropriate agencies, entities, and persons when (1) VA suspects or has confirmed that there has been a breach of the system of records; (2) VA has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, VA (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 VA's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm."

Routine use number 28 is being amended to state, "Any relevant information from this system of record may be disclosed to the Centers for Medicare and Medicaid, the SSA, or any other Federal or state agencies for the review and reporting of CHAMPVA and TRICARE health benefit claims."

Routine use number 29 is being added to state, "Data breach response and remediation, for another Federal agency: To another Federal agency or Federal entity, when VA 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.”

Routine use number 30 is being added to state, “Merit Systems Protection Board (MSPB): To the MSPB in connection with appeals, special studies of the civil service and other merit systems, review of rules and regulations, investigation of alleged or possible prohibited personnel practices, and such other functions promulgated in 5 U.S.C. 1205 and 1206, or as authorized by law.”

Routine use number 31 is being added to state, “Equal Employment Opportunity Commission (EEOC): To the EEOC in connection with investigations of alleged or possible discriminatory practices, examination of Federal affirmative employment programs, or other functions of the Commission as authorized by law.”

Policies and practices for storage of records is being updated to include Amazon Web Service Cloud. This section will remove, “paper folders, magnetic discs, and magnetic tape.”

Policies and practices for retrieval of records is being updated to include VA assigned integration control number, data file number (DFN), and DFN and beneficiary first name. This section is replacing paper records with electronic records.

Policies and practices for retention and disposal of records is being updated to remove, “item XXXVIII Civilian Health and Medical care (CHMC) Records. National Archives and Records Administration job number N1-015-3-1 Item 1-8b. (Master file) item 3, Destroy 6 years after all individuals in the record become ineligible for program benefits”. This section is being updated to include item number 1260.1.

The administrative, technical and physical safeguards section is being updated to replace “CBOPC” with “OIVC.” This section is also being updated to include, “The system is hosted in Amazon Web Services Government Cloud infrastructure as a service Cloud computing environment that has been authorized at the high-impact level under the Federal Risk and Authorization Management Program. The secure site-to-site encrypted network connection is limited to access through the VA trusted internet connection.” The following is being removed from this section, “Automated Data Processing (ADP) peripheral devices are generally placed in secure areas or are otherwise protected.”

Record access procedures is being amended to state, “Individuals seeking information on the existence and content of records in this system pertaining to them should contact the

system manager in writing as indicated above or may write or visit the VA medical facility location where they normally receive their care. A request for access to records must contain the requester’s full name, address, telephone number, be signed by the requester, and describe the records sought in sufficient detail to enable VA personnel to locate them with a reasonable amount of effort.”

Contesting record procedures is being amended to state, “Individuals seeking to contest or amend records in this system pertaining to them should contact the system manager in writing as indicated above or may write or visit the VA medical facility location where they normally receive their care. A request to contest or amend records must state clearly and concisely what record is being contested, the reasons for contesting it, and the proposed amendment to the record.”

Notification procedure is being amended to state, “Individuals who wish to be notified if a record in this system of records pertains to them should submit the request following the procedures described in “Record Access Procedures,” above.”

The Report of Intent to Amend a System of Records Notice and an advance copy of the system notice were sent to the appropriate Congressional committees and to the Director of the Office of Management and Budget (OMB) as required by 5 U.S.C. 552a(c) (Privacy Act) and guidelines issued by OMB (65 FR 77677), December 12, 2000.

Signing Authority

The Senior Agency Official for Privacy, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. Eddie Pool, Deputy Chief Information Officer, Connectivity and Collaboration Services, Performing the Delegable Duties of the Assistant Secretary for Information and Technology and Chief Information Officer, approved this document on July 17, 2025, for publication.

Dated: September 10, 2025.

Saurav Devkota,

Government Information Specialist, VA Privacy Service, Office of Compliance, Risk and Remediation, Office of Information and Technology, Department of Veterans Affairs.

SYSTEM NAME AND NUMBER:

“Veterans and Beneficiaries Purchased Care Community Health Care Claims, Correspondence, Eligibility,

Inquiry and Payment Files—VA” (54VA10).

SECURITY CLASSIFICATION:

Unclassified.

SYSTEM LOCATION:

Records are maintained at the Office of Integrated Veteran Care (OIVC), 3773 Cherry Creek North Drive, Denver, Colorado 80209. Records are also located at the Department of Veterans Affairs (VA) Enterprise Cloud Data Centers/Amazon Web Services, 1915 Terry Avenue, Seattle, WA 98101.

SYSTEM MANAGER(S):

Official responsible for policies and procedures: Chief Payer, VHAOIVCPMDPayerEDI@va.gov, OIVC, 3773 Cherry Creek North Drive, Denver, CO 80209.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

38 U.S.C. 501(a), 501(b), 1703, 1720G, 1724, 1725, 1728, 1781, 1787, 1802, 1803, 1812, 1813, 1821, Public Law 103-446 section 107 and Public Law 111-163 section 101.

PURPOSE(S) OF THE SYSTEM:

This system is used for establishing and monitoring eligibility to receive VA benefits, processing claims for medical care and services, and processing stipends. This system also has a database that uses accumulator calculation and makes transactions using the Payer Electronic Data Interchange Transaction Application System to process claims for medical care and services and payments.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Categories of individuals covered by the system include the following:

1. Family members and beneficiaries of Veterans who seek health care under 38 U.S.C. 1720G, 1781, 1787, 1802, 1803, 1812, 1813, 1821, MISSION Act, PACT Act, Public Law 103-446, 107 and Public Law 111-163 section 101.
2. Veterans seeking health care services in a foreign country under 38 U.S.C. 1724.
3. Veterans receiving community fee for-service benefits at VA expense under title 38 U.S.C. 1703, 1725 and 1728.
4. Health care providers treating individuals who receive care under 38 U.S.C. 1703, 1720G, 1724, 1725, 1728, 1781, 1787, 1803, 1812, 1813, 1821, MISSION Act, PACT Act, Public Law 103-446 section 107 and Public Law 111-163 section 101.
5. Caregivers of Veterans providing personal care services and in receipt of a stipend under 38 U.S.C. 1720G and Public Law 111-163 section 101.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records maintained in the system include program applications, eligibility information concerning the Veteran, family members, beneficiaries, caregivers; other health insurance information to include information regarding eligibility or entitlement to other Federal medical programs, correspondence concerning individuals who have applied for benefits in these programs; claims (billing) for medical care and services; documents pertaining to claims for medical services; information related to claims processing; documents pertaining to stipend calculation and payment; documents pertaining to appeals; and third party liability information and recovery actions taken by VA and/or TRICARE. The record may include the name, address, and other identifying information concerning health care providers, services provided, amounts claimed and paid for health care services, amounts calculated and paid for stipends, medical records, and treatment and payment dates.

Additional information may include Veterans, who have applied for benefits in these programs; claims (billing) for medical care and services; documents pertaining to claims for medical services; information related to claims processing; documents pertaining to stipend calculation and payment; documents pertaining to appeals; and third-party liability information and recovery actions; family member, and caregiver identifying information (such as name, address, social security number, VA claim file number, date of birth), and military service information concerning the Veteran and spouse or other family member (when applicable—for example, dates, branch and character of service, medical information).

RECORD SOURCE CATEGORIES:

The Veteran sponsor, family member, beneficiary, caregiver, military service departments, private medical facilities and health care providers, electronic trading partners, contractors, Department of Defense (DoD), TRICARE, Defense Eligibility Enrollment Reporting System (DEERS), other Federal agencies, VA Regional Offices, Veterans Benefits Administration (VBA) automated record systems, VA medical centers and health care providers.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES:

To the extent that records contained in the system include information protected by 45 CFR parts 160 and 164,

(individually identifiable health information), and 38 U.S.C. 7332, (medical treatment information related to drug abuse, alcoholism or alcohol abuse, sickle cell anemia, or infection with the human immunodeficiency virus, that information cannot be disclosed under a routine use unless there is also specific statutory authority in 38 U.S.C. 7332 and regulatory authority in 45 CFR parts 160 and 164 permitting disclosure).

1. Eligibility and claim information from this system of records may be disclosed verbally or in writing. For example, disclosures may be made via correspondence, call service center, interactive voice recognition, portal or interactive web page, in response to an inquiry made by the claimant, claimant's guardian, claimant's next of kin, health care provider, trading partner, other Federal agency or contractor. Purposes of these disclosures are to assist the provider or claimant in obtaining reimbursement for claimed medical services, to facilitate billing processes, to verify beneficiary eligibility, and to provide payment information regarding claimed services. Eligibility or entitlement information disclosed may include the name, authorization number (social security number), effective dates of eligibility, reasons for any period of ineligibility, and other health insurance information of the named individual. Claim or stipend information disclosed may include payment information such as payment identification number, date of payment, date of service, amount billed, amount paid, name of payee, or reasons for non-payment.

2. *Governmental Agencies, Health Organizations, for Claimants' Benefits:* To Federal, state, and local government agencies and national health organizations as reasonably necessary to assist in the development of programs that will be beneficial to claimants, to protect their rights under law, and assure that they are receiving all benefits to which they are entitled.

3. *Law Enforcement:* To a Federal, state, local, territorial, tribal, or foreign law enforcement authority or other appropriate entity charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing such law, provided that the disclosure is limited to information that, either alone or in conjunction with other information, indicates a violation or potential violation of law, whether civil, criminal, or regulatory in nature. The disclosure of the names and addresses of Veterans and their dependents from VA records under this routine use must

also comply with the provisions of 38 U.S.C. 5701.

4. *Federal Agencies, for Employment:* VA may disclose information to a Federal agency, except the United States Postal Service, or to the Washington, DC Government, in response to its request, in connection with that agency's decision on the hiring, transfer, or retention of an employee, the issuance of a security clearance, the letting of a contract, or the issuance of a license, grant, or other benefit by that agency.

5. *Congress:* To a Member of Congress or staff acting upon the Member's behalf when the Member or staff requests the information on behalf of, and at the request of, the individual who is the subject of the record.

6. *National Archives and Records Administration (NARA):* To NARA in records management inspections conducted under 44 U.S.C. 2904 and 2906, or other functions authorized by laws and policies governing NARA operations and VA records management responsibilities.

7. *Attorneys, Insurers, Employers:* To attorneys, insurance companies, employers, third parties liable or potentially liable under health plan contracts, and courts, boards, or commissions as relevant and necessary to aid VA in the preparation, presentation, and prosecution of claims authorized by law.

8. *The Department of Justice (DOJ), Litigation, Administrative Proceeding:* To DOJ, or in a proceeding before a court, an adjudicative body, or other administrative body before which VA is authorized to appear, when any of the following is a party to such proceedings or has an interest in such proceedings, and VA determines that use of such records is relevant and necessary to the proceedings:

- (a) VA or any component thereof;
- (b) Any VA employee in his or her official capacity;
- (c) Any VA employee in his or her individual capacity where DOJ has agreed to represent the employee; or
- (d) The United States, where VA determines that litigation is likely to affect the agency or any of its components.

9. *Federal Agencies, Courts, Litigants, for Litigation or Administrative Proceedings:* VA may disclose information to another Federal agency, court, or party in litigation before a court or in an administrative proceeding conducted by a Federal agency, when the Government is a party to the judicial or administrative proceeding.

10. Any information in this system of records may be disclosed to a state or municipal grand jury, a state or

municipal court or a party in litigation, or to a state or municipal administrative agency functioning in a quasi-judicial capacity or a party to a proceeding being conducted by such agency, provided that any disclosure of claimant information made under this routine use must comply with the provisions of 38 CFR 1.511.

11. *Federal Agencies, for Recovery of Medical Care Costs*: VA may disclose information to Federal agencies and Governmentwide third-party insurers responsible for payment of the cost of medical care for the identified patients, to seek recovery of the medical care costs. These records may also be disclosed as part of a computer matching program to accomplish this purpose.

12. Any relevant information from this system of records may be disclosed to TRICARE, DoD and DEERS to the extent necessary to determine eligibility for the Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) or TRICARE benefits, to develop and process CHAMPVA or TRICARE claims, and to develop cost-recovery actions for claims involving individuals not eligible for the services or claims involving potential third party liability.

13. *Consumer Reporting Agencies*: VA may disclose information as is reasonably necessary to identify such individual or concerning that individual's indebtedness to the United States by virtue of the person's participation in a benefits program administered by the Department, to a consumer reporting agency for the purpose of locating the individual, obtaining a consumer report to determine the ability of the individual to repay an indebtedness to the United States, or assisting in the collection of such indebtedness, provided that the provisions of 38 U.S.C. 57019(g)(2) and (4) have been met.

14. *Federal Labor Relations Authority (FLRA)*: To the FLRA in connection with the investigation and resolution of allegations of unfair labor practices, the resolution of exceptions to arbitration awards when a question of material fact is raised, matters before the Federal Service Impasses Panel, and the investigation of representation petitions and the conduct or supervision of representation elections.

15. In response to an inquiry about a named individual from a member of the general public, disclosure of information may be made from this system of records to report the amount of VA monetary benefits being received by the individual. This disclosure is consistent with 38 U.S.C. 5701(c)(1).

16. *The Federal Agencies, for Research*: To a Federal agency for the purpose of conducting research and data analysis to perform a statutory purpose of that Federal agency upon the written request of that agency.

17. *Claims Representatives*: To accredited service organizations, VA-approved claim agents, and attorneys acting under a declaration of representation, so that these individuals can aid claimants in the preparation, presentation, and prosecution of claims under the laws administered by VA upon the request of the claimant and provided that the disclosure is limited to information relevant to a claim, such as the name, address, the basis and nature of a claim, amount of benefit payment information, medical information, and military service and active duty separation information.

18. *Guardians Ad Litem, for Representation*: To a fiduciary or guardian ad litem in relation to his or her representation of a claimant in any legal proceeding as relevant and necessary to fulfill the duties of the fiduciary or guardian ad litem.

19. *Treasury, To Report Waived Debt as Income*: To the Department of the Treasury as a report of income under 26 U.S.C. 61(a)(12), provided that the disclosure is limited to information concerning an individual's indebtedness that is waived under 38 U.S.C. 3102, compromised under 4 CFR part 103, otherwise forgiven, or for which the applicable statute of limitations for enforcing collection has expired.

20. *Treasury, for Withholding*: To the Department of the Treasury for the collection of title 38 benefit overpayments, overdue indebtedness, or costs of services provided to an individual not entitled to such services, by the withholding of all or a portion of the person's Federal income tax refund, provided that the disclosure is limited to information concerning an individual's indebtedness by virtue of a person's participation in a benefits program administered by VA.

21. *Social Security Administration (SSA), Department of Health and Human Services (HHS) for Social Security Number Validation*: To SSA and HHS, for the purpose of conducting computer matches to obtain information to validate the social security numbers maintained in VA records.

22. The name and address of any health care provider in this system of records who has received payment for claimed services on behalf of a Veteran, family member or caregiver may be disclosed in response to an inquiry from a member of the general public who requests assistance in locating medical

providers who accept VA payment for health care services.

23. *Contractors*: To contractors, grantees, experts, consultants, students, and others performing or working on a contract, service, grant, cooperative agreement, or other assignment for VA, when reasonably necessary to accomplish an agency function related to the records.

24. Relevant information from this system of records may be disclosed to an accrediting Quality Review and Peer Review Organization in connection with the review of claims or other review activities associated with OIVC accreditation to professionally accepted claims processing standards.

25. *Federal Agencies, for Computer Matches*: To other Federal agencies for the purpose of conducting computer matches to obtain information to determine or verify eligibility of Veterans receiving VA benefits or medical care under title 38.

26. *Federal Agencies, Fraud and Abuse*: To other Federal agencies to assist such agencies in preventing and detecting possible fraud or abuse by individuals in their operations and programs.

27. *Data Breach Response and Remediation, for VA*: To appropriate agencies, entities, and persons when (1) VA suspects or has confirmed that there has been a breach of the system of records; (2) VA has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, VA (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 VA's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

28. Any relevant information from this system of record may be disclosed to the Centers for Medicare and Medicaid, the SSA, or any other Federal or state agencies for the review and reporting of CHAMPVA and TRICARE health benefit claims.

29. *Data Breach Response and Remediation, for another Federal agency*: To another Federal agency or Federal entity, when VA 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.

30. *Merit Systems Protection Board (MSPB)*: To MSPB in connection with appeals, special studies of the civil service and other merit systems, review of rules and regulations, investigation of alleged or possible prohibited personnel practices, and such other functions promulgated in 5 U.S.C. 1205 and § 1206, or as authorized by law.

31. *Equal Employment Opportunity Commission (EEOC)*: To the EEOC in connection with investigations of alleged or possible discriminatory practices, examination of Federal affirmative employment programs, or other functions of the Commission as authorized by law.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

Records are stored electronically in the Amazon Web Service Cloud. Paper documents may be scanned/digitized and stored for viewing electronically.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

Electronic records are retrieved by name or VA claims file number or social security number of the Veteran, family member, or caregiver. Computer records are retrieved by name, the VA assigned Integration Control Number, data file number (DFN), DFN and beneficiary first name, Social Security Number of the Veteran, family member, caregiver, or VA claims file number of the Veteran.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

Records in this system are retained and disposed of in accordance with the schedule approved by the Archivist of the United States, Record Control Schedule 10–1 item 1260.1.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

Working spaces and record storage areas at OIVC are secured during all business and non-business hours. All entrance doors require an electronic pass card for entry. The OIVC Logistics Department issues electronic pass cards. OIVC staff control visitor entry by door release and escort. The building is equipped with an intrusion alarm system monitored by OIVC security staff during business hours and by a security service vendor during nonbusiness hours.

Electronic/digital records are stored in an electronically controlled storage filing area. Paper records in work areas are stored in locked file cabinets or locked rooms. Access to record storage

areas is restricted to VA employees on a “need-to-know” basis. Access to the computer room is limited by appropriate locking devices and restricted to authorized VA employees and vendor personnel. Authorized VA employees may access information in the computer system by a series of individually unique passwords/codes.

The system is hosted in Amazon Web Services Government Cloud infrastructure as a service Cloud computing environment that has been authorized at the high-impact level under the Federal Risk and Authorization Management Program. The secure site- to-site encrypted network connection is limited to access via the VA trusted internet connection.

RECORD ACCESS PROCEDURES:

Individuals seeking information on the existence and content of records in this system pertaining to them should contact the system manager in writing as indicated above or write or visit the VA medical facility location where they normally receive their care. A request for access to records must contain the requester’s full name, address, and telephone number, be signed by the requester and describe the records sought in sufficient detail to enable VA personnel to locate them with a reasonable amount of effort.

CONTESTING RECORD PROCEDURES:

Individuals seeking to contest or amend records in this system pertaining to them should contact the System Manager in writing as indicated above or may write or visit the VA medical facility location where they normally receive their care. A request to contest or amend records must state clearly and concisely what record is being contested, the reasons for contesting it, and the proposed amendment to the record.

NOTIFICATION PROCEDURES:

Individuals who wish to be notified if a record in this system of records pertains to them should submit the request following the procedures described in “Record Access Procedures,” above.

EXEMPTIONS PROMULGATED FOR THE SYSTEM:

None.

HISTORY:

68 FR 53784 (September 12, 2003), 74 FR 34398 (July 15, 2009), 80 FR 11527 (March 3, 2015).

[FR Doc. 2025–17712 Filed 9–12–25; 8:45 am]

BILLING CODE 8320–01–P

DEPARTMENT OF VETERANS AFFAIRS

[OMB Control No. 2900–0463]

Agency Information Collection Activity: Notice of Waiver of VA Compensation or Pension To Receive Military Pay and Allowances

AGENCY: Veterans Benefits Administration, Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: Veterans Benefits Administration (VBA), Department of Veterans Affairs (VA), is announcing an opportunity for public comment on the proposed collection of certain information by the agency. Under the Paperwork Reduction Act (PRA) of 1995, Federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, including each proposed revision of a currently approved collection, and allow 60 days for public comment in response to the notice.

DATES: Comments must be received on or before November 14, 2025.

ADDRESSES: Comments must be submitted through www.regulations.gov.

FOR FURTHER INFORMATION CONTACT:

Program-Specific information: Kendra McCleave, 202–461–9760, kendra.mccleave@va.gov.

VA PRA information: Dorothy Glasgow, 202–461–1084, VAPRA@va.gov.

SUPPLEMENTARY INFORMATION: Under the PRA of 1995, Federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. This request for comment is being made pursuant to Section 3506(c)(2)(A) of the PRA.

With respect to the following collection of information, VBA invites comments on: (1) whether the proposed collection of information is necessary for the proper performance of VBA’s functions, including whether the information will have practical utility; (2) the accuracy of VBA’s estimate of the burden of the proposed collection of information; (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 through the use of automated collection techniques or the use of other forms of information technology.

Title: Notice of Waiver of VA Compensation or Pension to Receive

Military Pay and Allowances (VA Form 21–8951–2).

OMB Control Number: 2900–0463. <https://www.reginfo.gov/public/do/PRASearch> (Once at this link, you can enter the OMB Control Number to find the historical versions of this Information Collection). This is a revision with the respondent burden increasing due to the final regulation under RIN #2900–AP86 taking effect January 11, 2024.

Type of Review: Revision of a currently approved collection.

Abstract: VA Form 21–8951–2 is used by reservists/guardsmen filing a waiver of VA disability benefits to receive active or inactive duty training pay or to notify VA to resume benefits as his/her active service has completed. Without this information, the reduction in overpayments and/or erroneous payments associated with receipt of VA disability compensation or pension could cause hardship on behalf of the claimant.

Affected Public: Individuals or Households.

Estimated Annual Burden: 5,766 hours.

Estimated Average Burden per Respondent: 10 minutes.

Frequency of Response: One time.

Estimated Number of Respondents: 34,594 per year.

Authority: 44 U.S.C. 3501 *et seq.*

Lanea Haynes,

Acting, VA PRA Clearance Officer, (Alt) Office of Enterprise and Integration/Data Governance Analytics, Department of Veterans Affairs.

[FR Doc. 2025–17760 Filed 9–12–25; 8:45 am]

BILLING CODE 8320–01–P

DEPARTMENT OF VETERANS AFFAIRS

Privacy Act of 1974; System of Records

AGENCY: Veterans Health Administration (VHA, Department of Veterans Affairs (VA)).

ACTION: Notice of a modified system of records.

SUMMARY: As required by the Privacy Act of 1974, notice is hereby given that VA is modifying the system of records titled “VHA Corporate Data Warehouses-VA” (172VA10). This system is used for clinical decision support, mobile applications presenting patient data, and statistical analysis to produce various management, workload tracking, and follow-up reports. It is also used to track and evaluate the ordering and delivery of equipment, services, and

patient care; track the planning, distribution, and utilization of resources; monitor the performance of Veterans Integrated Service Networks; and allocate clinical and administrative support to patient medical care.

DATES: Comments on this new system of records must be received no later than 30 days after the date of publication in the **Federal Register**. If no public comment is received during the period allowed for comment or unless otherwise published in the **Federal Register** by VA, the new system of records will become effective a minimum of 30 days after date of publication in the **Federal Register**. If VA receives public comments, VA shall review the comments to determine whether any changes to the notice are necessary.

ADDRESSES: Comments may be submitted through www.Regulations.gov or mailed to VA Privacy Service, 810 Vermont Avenue NW, (005X6F), Washington, DC 20420. Comments should indicate that they are submitted in response to “VHA Corporate Data Warehouses-VA” (172VA10). Comments received will be available at <https://www.Regulations.gov/> for public viewing, inspection, or copies.

FOR FURTHER INFORMATION CONTACT: Ms. Stephania Griffin, VHA Chief Privacy Officer, Department of Veterans Affairs, 810 Vermont Avenue NW, (10DH03A), Washington, DC 20420, Stephania.Griffin@va.gov, telephone number 704–245–2492 (Note: This is not a toll-free number).

SUPPLEMENTARY INFORMATION: VA is modifying the system of records by revising the categories of records in the system, record source categories, purpose(s) of the system, routine uses of records maintained in the system records, Notification Procedure, and Appendix A. VA is republishing the system notice in its entirety.

Categories of records in the system and record source categories are being modified to change 121VA10A7 to 121VA10.

Purpose(s) of the system is being updated to add, “to monitor the performance and produce management and actuarial reports of VHA and Veterans Integrated Service Networks,” and include, “The records and information may be used and shared, including through application programming interfaces (API), to meet statutory mandates regarding health care related programs.”

Routine uses of records maintained in the system is adding the following:

Routine use #1 and routine use #17 are duplicate. Therefore, routine use #17

is being replaced with a new routine use to state, “Centers for Disease Control and Prevention (CDC): To CDC and/or their designee or other Federal or state public health authorities in response to its request or at the initiation of VA, in connection with disease-tracking, patient outcomes, bio-surveillance or other health information required for program accountability.” VA needs the ability to conduct disease tracking to impact patient outcomes, respond to public health threats, and to contribute significantly to the CDC’s ability to conduct and monitor public health surveillance.

Routine use #26 is being added to state, “National Cancer Institute (NCI): To the NCI and/or their designee and/or a state cancer or tumor registry in response to its request or at the initiation of VA for the purpose of population-based activities to improve health and disease management.” VA needs the ability to determine trends in the rates of the incidence of cancer in Veterans.

Routine use #27 is being added to state, “Third Party Non-Governmental/Governmental Applications: To a third party non-Governmental or Governmental application through the Provider Directory Application Programming Interface concerning health care provider’s professional qualification. Information to be disclosed may include provider name, national provider identifier (NPI), VA medical facility address, VA employee email, VA facility telephone number, sex, and languages used.” VA needs to share provider information maintained in the corporate data warehouse through APIs with third party non-Governmental and Governmental applications mandated by the Centers for Medicaid and Medicare Services for the purpose of complying with 45 CFR 156.221(i).

The policies and practices for retention and disposal of records is being updated to replace “General Records Schedule 20, item 4” with “General Records Schedule 5.2, item 020.”

The Notification Procedure section is being update to state “Individuals who wish to be notified if a record in this system of records pertains to them should submit the request following the procedures described in ‘Record Access Procedures,’ above”.

Appendix A is being updated to change “HealtheIntent at Cerner Technology Centers (CTC)” to “Oracle Health Data Intelligence (HDI) at Oracle Technology Centers”, Change “Picture” to “Platform in “VA Common Operating Picture, Palantir Foundry” and to remove “Data Lake” from “VA

Enterprise Cloud, Microsoft Azure” to reflect the different locations where data may reside in Microsoft Azure.

Signing Authority

The Senior Agency Official for Privacy, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. Eddie Pool, Deputy Chief Information Officer, Connectivity and Collaboration Services, Performing the Delegable Duties of the Assistant Secretary for Information and Technology and Chief Information Officer, approved this document on July 23, 2025, for publication.

Dated: September 10, 2025.

Saurav Devkota,

Government Information Specialist, VA Privacy Service, Office of Compliance, Risk and Remediation, Office of Information and Technology, Department of Veterans Affairs.

SYSTEM NAME AND NUMBER:

VHA Corporate Data Warehouses—VA (172VA10)

SECURITY CLASSIFICATION:

Unclassified.

SYSTEM LOCATION:

Records are located in VA National Data Centers and the contracted data centers listed in Appendix A.

SYSTEM MANAGER(S):

Officials responsible for policies and procedures: Chief Health Informatics Officer, Department of Veterans Affairs, 810 Vermont Avenue NW, Washington, DC 20420. Telephone number 202-461-5834 (This is not a toll-free number).

Officials maintaining this system of records: Director, National Data Systems, vhandssorn@va.gov, Austin Information Technology Center, 1615 Woodward Street, Austin, TX 78772. The telephone number is 512-326-6188 (Note: This is not a toll-free number).

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

38 U.S.C. 501.

PURPOSE(S) OF THE SYSTEM:

The records and information may be used for clinical decision support, mobile applications presenting patient data, statistical analysis to produce various management, workload tracking, and follow-up reports; to track and evaluate the ordering and delivery of equipment, services and patient care; for the planning, distribution and utilization of resources; to monitor the performance and produce management and actuarial reports of the VHA and

VISNs; and to allocate clinical and administrative support to patient medical care. The data may be used for VA’s extensive research programs in accordance with VA policy and to monitor for bio-terrorist activity. In addition, the data may be used to assist in workload allocation for patient treatment services including provider panel management, nursing care, clinic appointments, surgery, diagnostic and therapeutic procedures; to plan and schedule training activities for employees; for audits, reviews and investigations conducted by the network directors office and VA Central Office; for quality assurance audits, reviews, and investigations; for law enforcement investigations; for reporting purposes for Veterans authorizations and preferences and other Veterans Health Information Exchange reporting needs; and for health care operations and for personnel management, evaluation and employee ratings, and performance evaluations. The records in the system may be used to perform calculations and derive data using machine learning, natural language processing, and other artificial intelligence tools to create additional data that is validated, stored, and then made available to system users for the other purposes described within this section. The records and information may be used and shared, including through APIs, to meet statutory mandates regarding health care related programs.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

The records contain information for Veterans, members of the armed services, current and former employees, trainees, caregivers, contractors, sub-contractors, consultants, volunteers, and other individuals working collaboratively with VA who are:

- (1) receiving health care from VA;
- (2) receiving health care from Department of Defense (DoD);
- (3) providing health care; or
- (4) employed by VA or DoD.

CATEGORIES OF RECORDS IN THE SYSTEM:

The records include information related to:

1. Patient health record detailed information, including information from patient medical records—VA (24VA10A7) and Patient national databases—VA (121VA10) and from the Health Information Exchange—VA (168VA005).
2. Identifying information (such as: name, birth date, death date, admission date, discharge date, sex, social security number, taxpayer identification number); address information such as

home and/or mailing address, home telephone number); emergency contact information such as name, address, telephone number, and relationship; prosthetic and sensory aid serial numbers; health record numbers; integration control numbers; information related to medical examination or treatment (such as the location of the VA medical facility providing examination or treatment, treatment dates, and medical conditions treated or noted on examination); and information related to military service and status.

3. Patient health insurance information, including information from revenue program billing and collection records—VA (114VA10).

4. Medical benefit and eligibility information, including information from revenue program billing and collection records—VA (114VA10).

5. Patient aggregate workload data such as admissions, discharges, and outpatient visits; resource utilization such as laboratory tests, x-rays, pharmaceuticals, prosthetics, and sensory aids; employee workload and productivity data.

6. Information on services or products needed in the provision of medical care (such as pacemakers, prosthetics, dental implants, and/or hearing aids), vendor name and address, details about and/or evaluation of service or product, price/fee, and dates purchased and delivered.

7. Health care practitioners’ names, identification number, and other demographic information related to position.

8. Employees salary and benefit information.

9. Financial information from the Financial Management System.

10. Human resource information including employee grade, salary, and tour of duty;

11. Compensation and pension determinations, Veteran eligibility, and other information associated with administering Veteran benefits by the Veterans Benefit Administration.

12. Data from other Federal agencies.

13. Patient self-entered data through online forms (such as data from glucometers, step counters, and other personal medical devices).

14. Data derived from the above through calculations, machine learning, automated natural language processing, other artificial intelligence tools, and manually entered data confirming derived data results.

RECORD SOURCE CATEGORIES:

Information in this system of records is provided by Veterans, VA employees, VA computer systems, the Veterans

Health Information Systems and Technology Architecture, the VA electronic health record system, contracted computer systems, VA medical centers, VA program offices, VISNs, DoD, other Federal agencies, such as the CDC, state agencies, and non-VA health care providers, and from the following VA systems of records: patient medical records—VA (24VA10A7); patient national databases—VA (121VA10), the Health Information Exchange—VA (168VA005); and the revenue program billing and collection records—VA (114VA10).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

To the extent that records contained in the system include information protected by 45 CFR parts 160 and 164 (individually identifiable health information) and 38 U.S.C. 7332 (medical treatment information related to drug abuse; alcoholism or alcohol abuse; sickle cell anemia; or infection with the human immunodeficiency virus—that information cannot be disclosed under a routine use unless there is also specific statutory authority in 38 U.S.C. 7332 and regulatory authority in 45 CFR parts 160, 161, and 164.

1. *Law Enforcement, for Reporting Violations of Law:* To a Federal, state, local, territorial, tribal, or foreign law enforcement authority or other appropriate entity charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing such law, provided that the disclosure is limited to information that, either alone or in conjunction with other information, indicates a violation or potential violation of law, whether civil, criminal, or regulatory in nature. The disclosure of the names and addresses of Veterans and their dependents from VA records under this routine use must also comply with the provisions of 38 U.S.C. 5701(f).

2. *External Source, for Identification:* To any source from which additional information is requested (to the extent necessary to identify the individual, inform the source of the purpose(s) of the request, and to identify the type of information requested), when necessary to obtain information relevant to an individual's eligibility, care history, or other benefits.

3. *Federal Agencies, for Employment:* To a Federal agency, except the United States Postal Service, or to the District of Columbia government, in response to its request, in connection with that agency's decision on the hiring, transfer,

or retention of an employee, the issuance of a security clearance, the letting of a contract, or the issuance of a license, grant, or other benefit by that agency.

4. *Congress:* To a Member of Congress or staff acting upon the Member's behalf when the Member or staff requests the information on behalf of, and at the request of, the individual who is the subject of the record.

5. *National Archives and Records Administration (NARA):* To NARA in records management inspections conducted under 44 U.S.C. 2904 and 2906, or other functions authorized by laws and policies governing NARA operations and VA records management responsibilities.

6. *Department of Justice (DOJ) for Litigation or Administrative Proceeding:* To DOJ, or in a proceeding before a court, adjudicative body, or other administrative body before which VA is authorized to appear, when any of the following is a party to such proceedings or has an interest in such proceedings, and VA determines that use of such records is relevant and necessary to the proceedings:

- (a) VA or any component thereof;
- (b) Any VA employee in his or her official capacity;
- (c) Any VA employee in his or her official capacity where DOJ has agreed to represent the employee; or
- (d) The United States, where VA determines that litigation is likely to affect the agency or any of its components.

7. *Former Employee, Contractor, or Representative, for State Licensing Board (SLB) Reporting:* To a former VA employee or contractor, as well as the authorized representative of a current or former employee or contractor of VA, in connection with or in consideration of reporting that the individual's professional health care activity so significantly failed to conform to generally accepted standards of professional medical practice as to raise reasonable concern for the health and safety of patients, to a Federal agency, a state or local government licensing board, or the Federation of State Medical Boards or a similar nongovernmental entity that maintains records concerning individuals' employment histories or concerning the issuance, retention, or revocation of licenses, certifications, or registration necessary to practice an occupation, profession, or specialty.

8. *SLB, for Licensing:* To a Federal agency, a state or local government licensing board, the Federation of State Medical Boards, or a similar non-governmental entity that maintains

records concerning individuals' employment histories or concerning the issuance, retention, or revocation of licenses, certifications, or registration necessary to practice an occupation, profession, or specialty, to inform such non-governmental entities about the health care practices of a terminated, resigned, or retired health care employee whose professional health care activity so significantly failed to conform to generally accepted standards of professional medical practice as to raise reasonable concern for the health and safety of patients in the private sector or from another Federal Agency. These records may also be disclosed as part of an ongoing computer matching program to accomplish these purposes.

9. *Joint Commission, for Accreditation:* To survey teams of the Joint Commission, College of American Pathologists, American Association of Blood Banks, and similar national accreditation agencies or boards with which VA has a contract or agreement to conduct such reviews, as relevant and necessary for the purpose of program review or the seeking of accreditation or certification.

10. *National Certifying Body:* To a national certifying body which has the authority to make decisions concerning the issuance, retention or revocation of licenses, certifications or registrations required to practice a health care profession, when requested in writing by an investigator or supervisory official of the national certifying body for the purpose of making a decision concerning the issuance, retention or revocation of the license, certification or registration of a named health care professional.

11. *Unions:* To officials of labor organizations recognized under 5 U.S.C. Ch. 71 when relevant and necessary to their duties of exclusive representation concerning personnel policies, practices, and matters affecting working conditions.

12. *VA-Appointed Representative:* To the VA-appointed representative of an employee of all notices, determinations, decisions, or other written communications issued to the employee in connection with an examination ordered by VA under medical evaluation (formerly fitness-for-duty) examination procedures or Department filed disability retirement procedures.

13. *Merit Systems Protection Board (MSPB):* To the MSPB in connection with appeals, special studies of the civil service and other merit systems, review of rules and regulations, investigation of alleged or possible prohibited personnel practices, and such other functions

promulgated in 5 U.S.C. 1205 and 1206, or as authorized by law.

14. *Equal Employment Opportunity Commission (EEOC)*: To the EEOC in connection with investigations of alleged or possible discriminatory practices, examination of Federal affirmative employment programs, or other functions of the Commission as authorized by law.

15. *Federal Labor Relations Authority (FLRA)*: To the FLRA in connection with the investigation and resolution of allegations of unfair labor practices, the resolution of exceptions to arbitration awards when a question of material fact is raised; matters before the Federal Service Impasses Panel; and the investigation of representation petitions and the conduct or supervision of representation elections.

16. *Researchers, for Research*: To epidemiological and other research facilities approved by the Under Secretary for Health for research purposes determined to be necessary and proper.

17. *CDC*: To CDC and/or their designee or other Federal or state public health authorities in response to its request or at the initiation of VA, in connection with disease-tracking, patient outcomes, bio-surveillance or other health information required for program accountability.

18. *Contractors*: To contractors, grantees, experts, consultants, students, and others performing or working on a contract, service, grant, cooperative agreement, or other assignment for VA, when reasonably necessary to accomplish an agency function related to the records.

19. *Federal Agencies, for Fraud and Abuse*: To other Federal agencies to assist such agencies in preventing and detecting possible fraud or abuse by individuals in their operations and programs.

20. *Data Breach Response and Remediation, for VA*: To appropriate agencies, entities, and persons when (1) VA suspects or has confirmed that there has been a breach of the system of records; (2) VA has determined that as a result of the suspected or confirmed breach there is a risk to individuals, VA (including its information systems, programs, and operations), the Federal Government, or national security; and (3) the disclosure made to such agencies, entities, or persons is reasonably necessary to assist in connection with VA efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

21. *Federal Agencies, for Research*: To a Federal agency for the purpose of

conducting research and data analysis to perform a statutory purpose of that Federal agency upon the prior written request of that agency.

22. *Office of Management and Budget (OMB) for Coordination, Evaluation of Federal Programs*: To OMB for the performance of its statutory responsibilities for evaluating Federal programs.

23. *DoD*: To DoD for joint ventures between the two Departments to promote improved patient care, better health care resource utilization, and formal research studies.

24. *Data Breach Response and Remediation, for Another Federal Agency*: To another Federal agency or Federal entity, when VA 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.

25. *Health Care Effectiveness Data and Information Set or Similar Auditors*: To health plans, quality review and/or peer review organizations in connection with the audit of claims or other review activities to determine quality of care or compliance with professionally accepted claims processing standards.

26. *NCI*: To NCI and/or their designee and/or a state cancer or tumor registry in response to its request or at the initiation of VA for the purpose of population-based activities to improve health and disease management.

27. *Third Party Non-Governmental/ Governmental Applications*: To a third party non-Governmental application through the Provider Directory Application Programming Interface concerning health care provider's professional qualification. Information to be disclosed may include: provider name, NPI, VA medical facility address, VA employee email, VA facility telephone number, sex, and languages used.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

Records are maintained on storage area networks, both in the Austin Information Technology Center and the VA Enterprise Cloud.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

Records are retrieved by name, Social Security number or other assigned

identifiers of the individuals on whom they are maintained.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

Records in this system are retained and disposed of in accordance with the schedule approved by the Archivist of the United States, General Records Schedule 5.2, item 020.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

1. Access to and use of VA data warehouses are limited to those persons whose official duties require such access, and the VA has established security procedures to ensure that access is appropriately limited. Information security officers and system data stewards review and authorize data access requests. VA regulates data warehouse access with security software that relies on network authentication. VA requires information security training to all staff and instructs staff on the responsibility each person has for safeguarding data confidentiality.

2. Physical access to computer rooms housing VA data warehouses are restricted to authorized staff and protected by a variety of security devices. Unauthorized employees, contractors, and other staff are not allowed in computer rooms.

3. Data transmissions between VA operational systems and VA data warehouses maintained by this system of record are protected by state-of-the-art telecommunication software and hardware. This may include firewalls, intrusion detection devices, encryption, and other security measures necessary to safeguard data as it travels across the VA wide area network.

4. In most cases, copies of back-up computer files are maintained at off-site locations.

5. Access to Cerner Technology Centers is generally restricted to Cerner employees, contractors or associates with a Cerner issued identification badge and other security personnel cleared for access to the data center. Access to computer rooms housing Federal data, hence Federal enclave, is restricted to persons Federally cleared for Federal enclave access through electronic badge entry devices. All other persons, such as custodians, gaining access to Federal enclave are escorted.

6. VA Enterprise Cloud data storage conforms to security protocols as stipulated in VA Directives 6500 and 6517. Access control standards are stipulated in specific agreements with cloud vendors to restrict and monitor access.

RECORD ACCESS PROCEDURE:

Individuals seeking information on the existence and content of records in this system pertaining to them may write to the Director of National Data Systems, Austin Information Technology Center, 1615 Woodward Street, Austin, TX 78772. A request for access to records must contain the requester's full name, address, telephone number, be signed by the requester, and describe the records sought in sufficient detail to enable VA

personnel to locate them with a reasonable amount of effort.

CONTESTING RECORD PROCEDURES:

Individuals seeking to contest or amend records in this system pertaining to them may write to the Director of National Data Systems, Austin Information Technology Center, 1615 Woodward Street, Austin, TX 78772. A request to contest or amend records must state clearly and concisely what record is being contested, the reasons for contesting it, and the proposed amendment to the record.

NOTIFICATION PROCEDURE:

Individuals who wish to be notified if a record in this system of records pertains to them should submit the request following the procedures described in "Record Access Procedures," above.

EXEMPTIONS PROMULGATED FOR THE SYSTEM:

None.

HISTORY: 86 FR 72688.

VA APPENDIX A

Database name	Location
Corporate Data Warehouse	Austin Information Technology Center, 1615 Woodward Street, Austin, TX 78772.
Oracle Health Data Intelligence at Oracle Technology Centers	Primary Data Center, Kansas City, MO. Continuity of Operations/Disaster, Recovery Data Center, Lee Summit, MO.
VA Common Operating Platform, Palantir Foundry	Participating servers in the United States.
VA Enterprise Cloud, Microsoft Azure	Participating servers in the United States.
VA Informatics and Computing Infrastructure	Austin Information Technology Center, 1615 Woodward Street, Austin, TX 78772.
VA Enterprise Cloud, Amazon Web Services	Participating servers in the United States.

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FEDERAL REGISTER

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September 15, 2025

Part II

The President

Proclamation 10969—Honoring the Memory of Charlie Kirk

Presidential Documents

Title 3—

Proclamation 10969 of September 10, 2025

The President

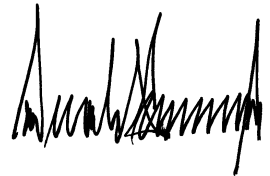
Honoring the Memory of Charlie Kirk

By the President of the United States of America

A Proclamation

As a mark of respect for the memory of Charlie Kirk, by the authority vested in me as President of the United States by the Constitution and the laws of the United States of America, I hereby order that the flag of the United States shall be flown at half-staff at the White House and upon all public buildings and grounds, at all military posts and naval stations, and on all naval vessels of the Federal Government in the District of Columbia and throughout the United States and its Territories and possessions until sunset, September 14, 2025. I also direct that the flag shall be flown at half-staff for the same length of time at all United States embassies, legations, consular offices, and other facilities abroad, including all military facilities and naval vessels and stations.

IN WITNESS WHEREOF, I have hereunto set my hand this tenth day of September, 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.



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